



Refer: MSL/BSE/NSE/

January 16, 2026

BSE Limited  
25th Floor,  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai 400 001  
Scrip Code: 523371

National Stock Exchange of India Ltd  
Exchange Plaza, Plot no. C/1, G Block,  
Bandra-Kurla Complex,  
Bandra (E),  
Mumbai 400 051  
Scrip Symbol: MAWANASUG

**Sub: Notice of meeting of the Equity Shareholders of Mawana Sugars Limited ("Company") convened as per the order of the Hon'ble National Company Law Tribunal, New Delhi Bench ("NCLT") in the matter of the Scheme of Amalgamation of Mawana Foods Private Limited with and into the Company and their respective shareholders and creditors.**

**Ref: Disclosure under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ("SEBI Listing Regulations").**

With reference to our earlier disclosures dated December 19, 2025, November 12, 2025, and August 02, 2025 regarding the proposed Scheme of Amalgamation of Mawana Foods Private Limited ("Transferor Company") with and into Mawana Sugars Limited ("Transferee Company" or "Company") and their respective shareholders and creditors under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 read with rules made thereunder ("Scheme"), this is to further inform you that pursuant to order dated December 18, 2025, passed by the Hon'ble NCLT, in Company Application CA (CAA) No. - 80/(ND)/2025, the Hon'ble NCLT has issued directions to the Company for convening the meeting of its Equity Shareholders ("Meeting"), for the purpose of considering and, if thought fit, approving with or without modification(s) the proposed Scheme.

Accordingly, as per the directions set out in the order of the Hon'ble NCLT and in compliance with Section 108 and other applicable provisions of the Companies Act, 2013 (the "Act") and related rules made thereunder, read with the applicable general circulars issued by the Ministry of Corporate Affairs in relation to conducting general meeting through Video Conferencing ("VC")/ other Audio Visual means ("OAVM") with facility for e-voting, Regulation 44 and other provisions of the SEBI Listing Regulations,

**MAWANA SUGARS LIMITED**

CIN : L74100DL1961PLC003413

Corporate Office:

Plot No. 03, Institutional Area  
Sector-32, Gurugram-122 001 (India)  
T 91-124-4447856

Registered Office:

5th Floor, Kirti Mahal, 19, Rajendra Place  
New Delhi-110125 (India)  
T 91-11-25739103 F 91-11-25743659

E [corporate@mawanasugars.com](mailto:corporate@mawanasugars.com)  
[www.mawanasugars.com](http://www.mawanasugars.com)



applicable SEBI Circulars and Secretarial Standard on General Meetings as issued by the Institute of Company Secretaries of India, we are submitting herewith the Notice of Meeting of the Equity Shareholders to be held on Saturday, February 21, 2026 at 02:30 PM (IST) through VC/ OAVM, for the purpose of considering, and if thought fit, approving the proposed Scheme. The detailed instructions for joining the Meeting through VC/OAVM, manner of casting vote through e-voting, etc. are provided in the 'Notes for the Meeting' section of the Notice convening the Meeting.

The aforesaid Notice and copy of physical letter are attached herewith as Annexure I and Annexure II respectively.

The aforesaid Notice and the Explanatory Statement together with the accompanying documents are also being uploaded on the Company's website at <https://mawanasugars.com/downloads/notice-of-equity-shareholders-meeting.pdf>

You are requested to kindly take the above information on your records.

Thanking you

Yours faithfully,

For Mawana Sugars Limited

  
Ashok Kumar Shukla  
Company Secretary & Compliance Officer  
M. No. A29673

Encl: As above

**Mawana Sugars Limited**

(CIN: L74100DL1961PLC003413)

Registered Office: 5<sup>th</sup> Floor, Kirti Mahal, 19, Rajendra Place, New Delhi – 110125

T 91-11-25739103, F 91-11-25743659

E-mail:[corporate@mawanasugars.com](mailto:corporate@mawanasugars.com), Website: [www.mawanasugars.com](http://www.mawanasugars.com)



**NOTICE OF MEETING OF EQUITY SHAREHOLDERS  
OF  
MAWANA SUGARS LIMITED**

*(Convened pursuant to the order dated 18<sup>th</sup> December, 2025, passed by the Hon'ble  
National Company Law Tribunal, New Delhi Bench)*

<b>Day</b>	Saturday
<b>Date</b>	21 <sup>st</sup> February, 2026
<b>Time</b>	02:30 P.M. (IST)
<b>Mode of Meeting</b>	Through Video Conferencing / Other Audio-Visual Means (“VC”/ “OAVM”)
<b>Mode of Voting</b>	Remote e-Voting and e-Voting at the Meeting
<b>Venue</b>	Registered Office (Deemed venue for VC/ OAVM meeting)

**REMOTE E VOTING**

<b>Cut-off Date</b>	Saturday, 14 <sup>th</sup> February, 2026
<b>Commencing On</b>	Wednesday, 18 <sup>th</sup> February, 2026 at 09:00 A.M. (IST)
<b>Ending on</b>	Friday, 20 <sup>th</sup> February, 2026 at 05:00 P.M. (IST)

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**Before the Hon'ble National Company Law Tribunal, at New Delhi  
Company Application No. CA (CAA)-80/ND/2025**

In the matter of the Companies Act, 2013

And

In the matter of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016

And

**In the matter of the Scheme of Amalgamation**

**Between**

**Mawana Foods Private Limited**

(Transferor Company/ Applicant Company -I)

And

**Mawana Sugars Limited**

(Transferee Company/ Applicant Company -II)

And

**Their respective shareholders and creditors**

*[For the sake of brevity, Applicant Company-I and Applicant Company-II are hereinafter collectively referred to as "Applicant Companies"]*

**FORM NO. CAA-2**

**NOTICE CONVENING THE MEETING OF EQUITY SHAREHOLDERS OF MAWANA SUGARS LIMITED ("COMPANY"/ "TRANSFeree COMPANY") AS PER THE DIRECTIONS OF THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, NEW DELHI BENCH ISSUED VIDE ORDER DATED 18<sup>TH</sup> DECEMBER, 2025.**

To,

**The Equity Shareholders of Mawana Sugars Limited ("Transferee Company")**

NOTICE is hereby given that by an order dated 18th December, 2025 ("Order") in Company Application No. CA(CAA)-80/ ND/2025, the Hon'ble National Company Law Tribunal, New Delhi Bench ("Tribunal"/ "NCLT") has directed a Meeting of equity shareholders of the Company be convened, for the purpose of considering, and if thought fit, approving, with or without modification(s), the scheme of amalgamation between Mawana Foods Private Limited and Mawana Sugars Limited and their respective shareholders and creditors ("Scheme"), under the provisions of sections 230-232 of the Companies Act, 2013 ("Act") read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 ("CAA Rules").

In pursuance of the directions issued by the Hon'ble Tribunal vide said Order and in consultation with the Chairperson appointed by the Hon'ble Tribunal for the said meeting, further notice is hereby given that the said meeting of equity shareholders ("Meeting") of the Company will be held through Video Conferencing/ Other Audio-Visual Means ("VC"/ "OAVM") on Saturday, 21<sup>st</sup> February, 2026 at 02:30 P.M. (IST), at such day, date and time you are requested to attend the Meeting through VC/ OAVM, without physical presence at any specific venue.

At the Meeting, the following resolution will be considered and if thought fit, be passed, with or without modification(s) with specific majority as provided under the provisions of section 230(1) read with section 230(6) and section 232(1) of the Act:

**"RESOLVED THAT** pursuant to the provisions of sections 230 to 232 of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and other applicable provisions of the Companies Act, 2013 (including any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force), relevant provisions of the Memorandum and Articles of Association of the Company and subject to the approval of the Hon'ble National Company Law Tribunal, New Delhi Bench ("Hon'ble Tribunal") and/or any other relevant government or regulatory authority, body, institution (hereinafter collectively referred as "Concerned Authority"), if any, of competent jurisdiction under applicable laws for the time being in force, and subject to such conditions or guidelines, if any, as may be prescribed, imposed or stipulated in this regard by the shareholders and/or creditors of the Company, Hon'ble Tribunal and/ or Concerned Authority, from time to time, while granting such approvals, consents, permissions and/or sanctions under sections 230 to 232 and other applicable provisions, if any, of the Companies Act, 2013 and which may be agreed to by the board of directors of the Company (hereinafter referred to as the "Board", which term shall be deemed to mean and include one or more committee(s) constituted/to be constituted by the Board or any person(s) authorized by the Board to exercise its powers including the powers conferred by this resolution), the scheme of amalgamation between Mawana Foods Private Limited ("Transferor Company") and Mawana Sugars Limited ("Transferee Company") and their respective shareholders and creditors (hereinafter referred to as the "Scheme") as circulated along with the notice of the meeting be and is hereby approved."

**"RESOLVED FURTHER THAT** the Board be and is hereby authorized to effectively implement the amalgamation embodied in the Scheme, make or accept such modification(s), amendment(s), limitation(s) and/or condition(s), if any, to the Scheme as may be required by the Hon'ble Tribunal and/or any other authority while sanctioning the Scheme or as may be required for the purpose of resolving any doubts or difficulties that may arise in giving effect to the Scheme or for any other such reason, as the Board may deem fit and proper, without being required to seek any further approval of the equity shareholders or otherwise to the end and intent that the equity shareholders shall be deemed to have given their approval thereto expressly by the authority of this resolution."

**Take further notice that** the equity shareholders shall have the facility and option to vote on the aforesaid resolution for approval of the Scheme by casting their votes (a) through e-Voting system available during the Meeting to be held virtually, or (b) by remote e-Voting during the period as stated below:

<b>Commencing on</b>	Wednesday, 18 <sup>th</sup> February, 2026 at 09:00 A.M. (IST)
<b>Ending on</b>	Friday, 20 <sup>th</sup> February, 2026 at 05:00 P.M. (IST)

It is clarified that votes may be casted by the equity shareholders by remote e-Voting in terms of this Notice and casting of votes by remote e-Voting does not disentitle them or their authorized representatives from attending the Meeting. However, the members or their authorized representatives who have casted their votes by remote e-Voting will not be eligible to cast their votes by e-Voting during the Meeting.

**Take further notice that** a person, whose name is recorded in the Register of Members or Register of Beneficial Owners maintained by the RTA/Depositories as on the cut-off date, i.e., Saturday, 14<sup>th</sup> February, 2026 ("Cut-off Date") only shall be entitled to exercise his/ her/ its voting rights on the resolution proposed in the Notice and attend the Meeting through VC/ OAVM. A person who is not an equity shareholder as on the Cut-off Date should treat the notice for information purpose only. The value of the votes cast shall be reckoned and scrutinized with reference to the said Cut-off Date in accordance with the books and records of the Company and where entries in the books are disputed, the Chairperson of the Meeting shall determine the value for purposes of the said Meeting.

**Take further notice that** the Hon'ble Tribunal vide its Order has appointed Adv. Aditya Dewan as the Chairperson and Adv. Sameer Ali as the Scrutinizer of the said Meeting. The Scrutinizer, after the conclusion of the voting at the Meeting, will unblock the votes cast through remote e-voting and votes cast at the Meeting in the presence of at least 2 (two) witnesses not in the employment of the Company, and shall then make a consolidated Scrutinizer's Report of the total votes cast in favor or against the aforesaid resolution and submit the same to the Chairperson of the Meeting. The Company shall declare on its website the results of the Meeting after receipt of the report from the Scrutinizer and submit to the stock exchanges where the securities of the Company are listed within 2 (two) working days. Further, the Chairperson shall submit the report to NCLT in Form No. CAA-4, the result of the Meeting within 7 (Seven) days from the date of the conclusion of the Meeting.

A copy of the notice convening the Meeting along with explanatory statement thereto under sections 230 - 232 and 102 and any other applicable provisions, if any, of the Act read with rule 6 of the CAA Rules, the Scheme and the other enclosures as indicated in the index are enclosed herewith. Further, these documents can also be obtained free of charge on all working days (except Saturdays, Sundays and public holidays) between 11:00 a.m. (IST) to 05:00 p.m. (IST) from the registered office of the Company at 5th Floor, Kirti Mahal, 19 Rajendra Place, Central Delhi, New Delhi - 110125.

In accordance with the provisions of Sections 230-232 of the Act, the Scheme shall be considered approved by the equity shareholders only if the Scheme is approved by majority of persons representing three-fourth in value of the equity shareholders of the Transferee Company voting in person or through an authorized representative.

The Scheme, if approved in the aforesaid Meeting, will be subject to the subsequent approval of NCLT and such other approvals, permissions, and sanctions of regulatory or other authorities, if any.

Sd/-

**Adv. Aditya Dewan**

**Chairperson appointed vide NCLT Order for the Meeting of  
Equity Shareholders of Mawana Sugars Limited**

**Dated: 10<sup>th</sup> January 2026**

**Place: New Delhi**

**Notes:**

1. Pursuant to the Order passed by the Hon'ble Tribunal and in consultation with the Chairperson appointed for the Meeting, and relevant circulars issued by the Ministry of Corporate Affairs and SEBI, and other applicable provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Meeting is being conducted through VC / OAVM with facility of remote e-voting prior to the Meeting, so as to enable the equity shareholders of the Company vote on the Scheme by way of aforesaid resolution.
2. An explanatory statement under Sections 230 - 232 and 102 and other applicable provisions, if any, of the Act read with the rules made thereunder, setting out material facts forms part of this Notice.
3. The Notice of the Meeting, Explanatory Statement along with accompanying documents mentioned in the index are sent through electronic mode and/or through courier to the equity shareholders whose names appear in the register of members / list of beneficial owners as on Friday, 9<sup>th</sup> January, 2026, as per the records of the Company / Depositories / Registrar and Transfer Agent ("RTA") at their respective last known e-mail addresses / postal address. The equity shareholders whose email addresses are not registered with the Company / Depositories, can register the same with RTA i.e. MAS Services Ltd., T 34, 2<sup>nd</sup> Floor, Okhla Industrial Area Phase-II, New Delhi-110020, Tel. No.: 011 - 26387281/82/83, Fax No.: 011 - 26387384, Email:[investor@masserv.com](mailto:investor@masserv.com), in the following manner:

<b>In case shares held in physical mode</b>	<b>In case shares held in demat mode</b>
Please send form ISR-1 & ISR-2 (in case signature does not match with RTA record) form can be download from website of RTA i.e. <a href="http://www.masserv.com">www.masserv.com</a> . Please note that all column of form ISR-1 should be completed alongwith copy of PAN and original cancelled cheque name of its shareholder should be printed on cancelled cheque	Please contact with your DP where you have opened demat account.

The equity shareholders may note that the aforesaid documents are available on the website of the Company and can be accessed / downloaded from: [www.mawanasugars.com](http://www.mawanasugars.com) and the website of Stock Exchanges, i.e., BSE Limited at [www.bseindia.com](http://www.bseindia.com), and National Stock Exchange of India Limited at [www.nseindia.com](http://www.nseindia.com) and/or also available on the website of NSDL (agency for providing the Remote e-Voting facility) at <https://www.evoting.nsdl.com>.

4. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the Depositories / RTA as on the Cut-off Date i.e. 14<sup>th</sup> February, 2026, only shall be entitled to exercise his/ her/ its voting rights on the resolution proposed in the Notice and attend the Meeting. A person who is not an equity shareholder as on the Cut-off Date, should treat this Notice for information purposes only.
5. Further, pursuant to the provisions of Section 113 of the Act, body corporates/institutions/corporate equity shareholder can authorize their authorized representative to attend the Meeting on their behalf, provided a copy of resolution of the board of directors or other governing body of such body corporate equity shareholder, including the power of attorney or letter of authority, duly authorizing such authorized representative along with an attested copy of his/her identity i.e., Aadhar Card/ Passport etc., is deposited at the registered office of the Company or be sent over e-mail at the email id of the Company at [corporate@mawanasugars.com](mailto:corporate@mawanasugars.com) with a copy to the scrutinizer at [Sameer.ali406@gmail.com](mailto:Sameer.ali406@gmail.com) not later than 48 hours before the scheduled time of commencement of the Meeting.
6. The voting rights of the equity shareholders shall be in proportion to their shareholding in the Company as at the time at closing of the business hours of Cut-off Date. The shareholders who have acquired the shares of the Company after sending the notices but before the Cut-off Date, can refer the Notices on [www.mawanasugars.com](http://www.mawanasugars.com) and/or on website of the Stock Exchanges, at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) and/or on the website of NSDL at <https://www.evoting.nsdl.com> and shall be entitled to avail the facility of voting by electronic means only if their name is recorded in the Register of Members or Register of Beneficial Owners maintained by the Depositories / RTA as on the Cut-off Date.
7. In accordance with the Order and as per Section 103 of the Companies Act, 2013, the quorum for the Meeting shall be 30 members. Further as per the directions issued by the Hon'ble Tribunal in the Order, if the quorum as stated hereinabove is not present at the time of commencement of the Meeting then the Meeting shall be adjourned by 30 minutes and thereafter, the person(s) present and voting shall be deemed to constitute the quorum.
8. The attendance of the members attending the Meeting through Virtual Mode will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013, and as per the terms of the NCLT Order. Attendance at such Meeting shall be recorded in the minutes of the Meeting instead of taking physical attendance slips.
9. The members can join the Meeting through VC/ OAVM 15 minutes before and during the Meeting after the scheduled time of the commencement of the Meeting by following the procedure mentioned in this Notice. The members will be able to view the proceedings and participate at the Meeting by logging into the e-Voting website at <https://www.evoting.nsdl.com>.

10. The Chairperson of the Meeting shall 15 minutes after the conclusion of the Meeting, allow voting with the assistance of the Scrutinizer, for all those equity shareholders who are present at the Meeting and who have not casted their votes by availing the remote e-Voting facility.
11. All relevant documents referred to in the accompanying notice and explanatory statements are open for inspection by the equity shareholders at the registered office of the Company on all working days (except Saturdays, Sundays and public holidays) between 11:00 a.m. (IST) to 05:00 p.m. (IST). Equity shareholders seeking to inspect such documents through electronic mode can send an email thereto to [corporate@mawanasugars.com](mailto:corporate@mawanasugars.com).
12. This Notice, along with copy of the Scheme and other enclosures is also displayed/ posted on the website of the Company at [www.mawanasugars.com](http://www.mawanasugars.com), website of Stock Exchanges i.e., BSE Limited at [www.bseindia.com](http://www.bseindia.com), National Stock Exchange of India Limited at [www.nseindia.com](http://www.nseindia.com) and/or website of E-Voting service provider i.e. NSDL at <https://www.evoting.nsdl.com>.
13. In accordance with the provisions of sections 230-232 of the Act, the Scheme shall be acted upon only if a majority of persons representing three-fourth in value of the equity shareholders of the Company validly voting in the Meeting through VC/OAVM agree/provide their consent to the Scheme.
14. In terms of the Order read with Rule 14 of the CAA Rules, the Hon'ble Chairperson is responsible for reporting the result of the Meeting to the Hon'ble Tribunal in Form No. CAA-4, within 07 days from the date of conclusion of the Meeting.
15. National Securities Depository Limited (“NSDL”) has been appointed to provide the facility of remote e-Voting prior to the Meeting and e-Voting during the Meeting, in a secured manner and also to provide platform for conducting the Meeting through VC/OAVM.
16. In compliance with the Order of the Hon'ble Tribunal and in consultation with the Chairperson and as per the provisions of sections 230 to 232 read with rule 6(3)(xi) of the CAA Rules, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and relevant circulars, the Company is providing to its equity shareholders, a facility to exercise their right to vote on resolution proposed to be considered and passed at the Meeting by electronic means and the business may be transacted through remote e-Voting services. The facility of casting vote by the equity shareholders using an electronic voting system (“**remote e-Voting**”) will be provided by NSDL as detailed hereunder:
  - (i) The remote e-Voting period commences on Wednesday, 18th February, 2026, 09:00 A.M. (IST) and ends on Friday, 20<sup>th</sup> February, 2026, 05:00 P.M. (IST). During this period, the equity shareholders may cast their vote by remote e-Voting prior to the Meeting. The remote e-Voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the equity shareholder, the said Shareholder shall not be allowed to change it subsequently.
  - (ii) The facility for electronic voting system shall also be made available at the Meeting. An equity shareholder attending the Meeting through VC/OAVM, who has not casted its votes through remote e-Voting prior to the Meeting, shall be able to exercise their voting rights at the Meeting. The equity shareholder who has already casted its votes through remote e-Voting may attend the Meeting but shall not be entitled to cast its vote again at the Meeting.
17. Members who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all the communications as per instructions given above in point no 4. In case of any difficulty in registering the e-mail id; e-Voting or attending the Meeting through VC/OAVM, etc., the following persons may be contacted:

<b>Mas Services Limited (RTA)</b>	<b>Contact details:</b> <b>Name:</b> Sharwan Mangla (General Manager) <b>Telephone:</b> 011-26387281-83,41320335 <b>Email ids:</b> <a href="mailto:investor@masserv.com">investor@masserv.com</a>
<b>Company Representative</b>	<b>Contact details:</b> <b>Name:</b> Ashok Kumar Shukla (Company Secretary) <b>Telephone:</b> 91-124-4447856 <b>Email ids:</b> <a href="mailto:ashokshukla@mawanasugars.com">ashokshukla@mawanasugars.com</a>

18. The scrutinizer shall, after the conclusion of the voting at the Meeting, unblock the votes casted through remote e-voting and e-Voting during the Meeting in the presence of at least 2 (two) witnesses who are not in the employment of the Company.
19. Members who would like to express their views or ask clarifications during the said Meeting will have to register themselves as a speaker during the period starting from Monday, 16<sup>th</sup> February, 2026 from 09:00 AM (IST) to Wednesday, 18<sup>th</sup> February, 2026 up to 05:00 PM (IST) by sending the requests from their registered email address mentioning their name, DP ID and Client ID/ folio number, PAN, mobile number, email address at [corporate@mawanasugars.com](mailto:corporate@mawanasugars.com). Only those members who have registered themselves as a speaker will be allowed to express their views/ ask clarifications during the said Meeting. The Company reserves the right to restrict the number of speakers/ questions depending on the availability of time for the said

Meeting. Please note that only the members holding the shares as on Cut-Off Date will be eligible to register as speakers. The Company may suitably respond to those shareholders who had sent requests to the Company to express their views/questions but could not raise the same during the meeting due to paucity of time.

## THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING THE MEETING THROUGH VC/OAVM ARE AS UNDER:

The remote e-Voting period begins on 18<sup>th</sup> February, 2026 at 9:00 A.M. and ends on 20<sup>th</sup> February, 2026, at 5:00 P.M. The remote e-Voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (Cut-Off Date) i.e. Saturday, 14<sup>th</sup> February, 2026, shall be entitled to cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the Cut-Off Date, being February 14, 2026.

### How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

#### Step 1: Access to NSDL e-Voting system

A) **Login method for E-Voting and joining virtual Meeting for Individual shareholders holding securities in demat mode**  
In terms of SEBI circular December 9, 2020 on e- Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants, Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"><li>For OTP based login you can click on <a href="https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp">https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp</a>. You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual Meeting &amp; voting during the Meeting.</li><li>Existing IDeAS user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual Meeting &amp; voting during the Meeting.</li><li>If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS Portal" or click at <a href="https://eservices.nsdl.com/SecureWeb/ideasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/ideasDirectReg.jsp</a></li><li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual Meeting &amp; voting during the Meeting.</li></ol>

Type of shareholders	Login Method
	<p>5. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.</p> <div style="text-align: center;"> <p>NSDL Mobile App is available on</p>  <div style="display: flex; justify-content: space-around; width: 150px;">   </div> </div>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website <a href="http://www.cdsindia.com">www.cdsindia.com</a> and click on login icon &amp; New System Myeasi Tab and then user your existing my easi username &amp; password.</li> <li>2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual Meeting &amp; voting during the Meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</li> <li>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdsindia.com">www.cdsindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdsindia.com">www.cdsindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-Voting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their depository participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual Meeting &amp; voting during the Meeting.</p>

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

**A) Login Method for e-Voting and joining virtual Meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL e-services i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL e-services after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

<b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID is:</b>
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company. For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
  - c) How to retrieve your ‘initial password’?
    - (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
    - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**.
6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
  - a) Click on “**Forgot User Details/Password?**”(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) **Physical User Reset Password?**” (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.com](mailto:evoting@nsdl.com) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

#### **How to cast your vote electronically and join Meeting on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the Meeting. For joining virtual Meeting, you need to click on “VC/OAVM” link placed under “Join General Meeting”.

3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

#### **General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [Sameer.ali406@gmail.com](mailto:Sameer.ali406@gmail.com) with a copy marked to [evoting@nsdl.com](mailto:evoting@nsdl.com). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution/ Power of Attorney /Authority Letter etc. by clicking on “Upload Board Resolution/ Authority Letter” displayed under “e-Voting” tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on.: 022 - 4886 7000 or send a request to (Pallavi Mahatre) at [evoting@nsdl.com](mailto:evoting@nsdl.com)

#### **Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-Voting for the resolutions set out in this notice:**

1. In case shares are held in physical form, please refer Note no. 4 of the notes of the notice.
2. In case shares are held in demat mode, please refer to e-Voting instructions.
3. Alternatively shareholder/members may send a request to [evoting@nsdl.com](mailto:evoting@nsdl.com) for procuring user id and password for e-Voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

#### **THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE MEETING ARE AS UNDER: -**

1. The procedure for e-Voting on the day of the Meeting is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the Meeting through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the Meeting.
3. Members who have voted through Remote e-Voting will be eligible to attend the Meeting. However, they will not be eligible to vote at the Meeting.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the Meeting shall be the same person mentioned for Remote e-Voting.

#### **INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE MEETING THROUGH VC/OAVM ARE AS UNDER:**

1. Members will be provided with a facility to attend the Meeting through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of “VC/OAVM link” placed under “Join General Meeting” menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/ Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.

3. Further, Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the Meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name, demat account number/folio number, email id, mobile number at [corporate@mawanasugars.com](mailto:corporate@mawanasugars.com). The same will be replied by the company suitably.

**General Instructions:**

- i. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-Voting as well as voting at the Meeting.
- ii. Adv. Sameer Ali, has been appointed as the Scrutinizer by the Hon'ble NCLT, scrutinize the e-Voting and remote e-Voting process in a fair and transparent manner.
- iii. The Chairperson shall, at the Meeting, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, for all those members who are present VC / OAVM at the Meeting but have not cast their votes by availing the remote e-voting facility.
- iv. The Scrutinizer shall after the conclusion of voting at the Meeting, will first count the votes cast at the Meeting and thereafter unblock the votes cast through remote e-Voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 2 (two) working days of the conclusion of the Meeting, a consolidated scrutinizer's report of the total votes cast in favour or against, if any.
- v. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company [www.mawanasugars.com](http://www.mawanasugars.com) and on the website of NSDL immediately after the declaration of result by the scrutinizer or a person authorized by him in writing and communicated to the stock exchanges.

Sd/-

Adv. Aditya Dewan  
Chairperson appointed vide NCLT Order for the Meeting of  
Equity Shareholders of Mawana Sugars Limited

**Dated: 10<sup>th</sup> January 2026**

**Place: New Delhi**

**Before the Hon'ble National Company Law Tribunal, at New Delhi  
Company Application No. CA (CAA)-80/ND/2025**

In the matter of the Companies Act, 2013

And

In the matter of Sections 230 to 232 and other applicable provisions of the  
Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations)  
Rules, 2016

And

**In the matter of the Scheme of Amalgamation**

**Between**

**Mawana Foods Private Limited**  
(Transferor Company/ Applicant Company -I)

And

**Mawana Sugars Limited**  
(Transferee Company/ Applicant Company -II)

And

**Their respective shareholders and creditors**

*[For the sake of brevity, Applicant Company-I and Applicant Company-II are  
hereinafter collectively referred to as "Applicant Companies "]*

**EXPLANATORY STATEMENT UNDER SECTIONS 230-232 AND 102 OF THE COMPANIES ACT, 2013 ("ACT") READ  
WITH RULE 6 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016  
("CAA RULES")**

1. Pursuant to order dated 18<sup>th</sup> December, 2025 ("Order") passed by the Hon'ble National Company Law Tribunal, New Delhi Bench ("Hon'ble Tribunal") in Company Application No. CA (CAA)-80/ND/2025 jointly filed by Mawana Foods Private Limited ("Transferor Company") and, Mawana Sugars Limited ("Transferee Company") (hereinafter collectively referred to as "Companies"), a Meeting of equity shareholders of the Company is being convened through video conferencing / other audio visual means ("VC" / "OAVM") and will be held on Saturday, 21<sup>st</sup> February, 2026 at 02:30 P.M. (IST), for the purpose of considering and if thought fit, approving, with or without modification(s), the proposed scheme of amalgamation between the Companies and their respective shareholders and creditors ("Scheme"). A copy of the Scheme is attached herewith and marked as Annexure A.
2. The Hon'ble Tribunal vide its Order dated 18<sup>th</sup> December, 2025, has appointed Adv. Aditya Dewan as the Chairperson and Adv. Sameer Ali as the Scrutinizer of the said Meeting of the equity shareholders of the Transferee Company. A copy of the Order dated 18<sup>th</sup> December, 2025 is attached herewith and marked as Annexure B.
3. Details of the Transferee Company are given hereunder:
  - (a) **Corporate Identification Number (CIN):** L74100DL1961PLC003413
  - (b) **Permanent Account Number:** AAACS4902Q
  - (c) **Name:** Mawana Sugars Limited
  - (d) **Date of Incorporation:** 27<sup>th</sup> March, 1961
  - (e) **Type of Company:** Listed Public Limited Company
  - (f) **Registered Office:** 5<sup>th</sup> Floor, Kirti Mahal, 19 Rajendra Place, Central Delhi, New Delhi – 110125.
  - (g) **E-Mail Id:** corporate@mawanasugars.com
  - (h) **Website:** www.mawanasugars.com
  - (i) **Details of Capital Structure:** Capital Structure of Transferee Company as on 30<sup>th</sup> September, 2025 is as under:

Share Capital	Amount (in Rs.)
<b>Authorized Share Capital</b>	
10,00,00,000 equity shares of Rs. 10/- each	100,00,00,000/-
75,00,000 preference shares of Rs. 100/- each	75,00,00,000/-
<b>Total</b>	<b>175,00,00,000/-</b>
<b>Issued, Subscribed and Paid-up Share Capital:</b>	
39,116,864 equity shares of Rs. 10/- each	39,11,68,640/-
<b>Total</b>	<b>39,11,68,640/-</b>

Subsequent to 30<sup>th</sup> September, 2025 and till the date of this notice, there is no change in the authorised, issued, subscribed and paid-up share capital of the Transferee Company.

(j) **Summary of main objects as per Memorandum of Association:** The main objects of the Transferee Company as set out in Clause III of its memorandum of association are inter alia as follows:

*“10. To carry on and work the business of cultivators, winners and buyers of every kind of vegetable, mineral or other produce of the soil, including cotton, sugarcane, nuts, perfume-producing vegetation etc. , to prepare, manufacture and render marketable any such produce and to sell, dispose of and deal in any such produce, either in its prepared, manufactured or raw state, and either by wholesale or retail.*

.....

*46. To carry on the business of producing, acquiring, and trading in ethanol derived from sugarcane, other sugar producing materials and by-products of sugar and producing all grades and types of ethanol and related products from sugarcane and other raw materials.”*

(k) **Nature of the business carried on by the Transferee Company:** The Transferee Company is engaged in the business of manufacturing and marketing of sugar, ethanol and cogeneration of power at its units located at Mawana Sugar Works, Mawana, Distt. Meerut, Uttar Pradesh and Nanglamal Sugar Complex, Nanglamal, Distt. Meerut, Uttar Pradesh.

(l) **Name of stock exchange where securities are listed:** The shares of the Transferee Company are listed on the bourses of National Stock Exchange of India Limited and BSE Limited.

(m) **Details of change of name of the Transferee Company in the last 5 years:** Not applicable, as there has been no change in the name of the Transferor Company in the last 5 years.

(n) **Details of change of registered office of the Transferee Company in last 5 years:** Not applicable, as there has been no change in registered office of the Transferee Company in the last 5 years.

(o) **Details of change of objects of the Transferee Company in the last 5 years:** Not applicable, as there has been no change in objects of the Transferee Company in the last 5 years.

(p) **Date of board meeting in which the Scheme was approved:** The board of directors of the Transferee Company who at their meeting held on 2<sup>nd</sup> August, 2025 voted in favour of the resolution, who voted against the resolution and who did not vote or participate on such resolution are as under:

S. No.	Name of Directors along with their DIN	Voted in Favour/ Against/ Abstain from voting
1.	Mr. Mukesh Chauhan [DIN: 09387262]	Voted in favour
2.	Mr. Arun Kumar Kaul [DIN: 09127653]	Voted in favour
3.	Mr. Satish Agrawal [DIN: 00167589]	Voted in favour
4.	Mr. Krishna Shriram [DIN: 00031783]	Voted in favour
5.	Mr. Rakesh Kumar Gangwar [DIN: 09485856]	Voted in favour
6.	Ms. Anuradha Dutt [DIN: 00145124]	Voted in favour

A certified true copy of the board resolution in which the Scheme was approved is attached herewith and marked as Annexure C.

(q) **Names of present directors along with their DIN and residential addresses:** A list of present directors of the Transferee Company is outlined hereinbelow:

S. No.	Name	DIN	Address	Designation
1.	Mr. Mukesh Chauhan	09387262	Flat No.16, Tower. No.2 Supreme Enclave, Mayur Vihar Phase-I, Delhi - 110091	Non-Executive and Non-Independent Director
2.	Mr. Arun Kumar Kaul	09127653	W-IC-126, Wellington Estate, DLF City, Phase-5, Gurugram-122009, Haryana	Non-Executive & Independent Director
3.	Mr. Satish Agrawal	00167589	AM-21, Shalimar Bagh, Delhi - 110088	Non-Executive & Independent Director
4.	Mr. Krishna Shriram	00031783	46-D, Malcha Marg, New Delhi - 110021	Non-Executive Non-Independent Director & Promoter
5.	Mr. Rakesh Kumar Gangwar	09485856	Flat No.302, Tower-12, Orchid Petals, Sohna Road, Setor-49, South City-II, Gurugram- 122018, Haryana	Managing Director
6.	Ms. Anuradha Dutt	00145124	78, Golf Links, New Delhi - 110003	Non-Executive & Independent Director

(r) **Names of the promoter/ promoter group along with their addresses:** A list of promoters of the Transferee Company as on 31.12.2025 is outlined hereinbelow:

S. No.	Name of Promoters	Address of Promoters
1.	Mr. Krishna Shriram	46-D, Malcha Marg, New Delhi - 110021
2.	Mr. Krishna Shriram (Trustee of Enterprise Trust)	46-D, Malcha Marg, New Delhi - 110021
3.	Mrs. Roula Shriram	46-D, Malcha Marg, New Delhi - 110021

(s) **Amount due to Secured Creditors:** The Transferee Company has 2 (Two) secured creditors as on 30<sup>th</sup> June, 2025, the total value of secured debt outstanding to them as on 30<sup>th</sup> June, 2025 being INR 350, 46, 33,350/- (Indian Rupees Three Hundred and Fifty Crores Forty Six Lakhs Thirty Three Thousand Three Hundred and Fifty only). The Hon'ble Tribunal vide its Order dated 18<sup>th</sup> December, 2025 has inter alia issued directions to dispense with the requirement of convening the meeting of the secured creditors of the Transferee Company.

(t) **Amount due to Unsecured Creditors:** The Transferee Company has 586 (Five Hundred and Eighty-Six) Unsecured Creditors as on 30<sup>th</sup> June, 2025, the total value of unsecured debt outstanding to them as on 30<sup>th</sup> June, 2025 being INR 8,63,13,274/- (Indian Rupees Eight Crores Sixty-Three Lakhs Thirteen Thousand Two Hundred and Seventy-Four Only). The Hon'ble Tribunal vide its Order dated 18<sup>th</sup> December, 2025 has inter alia issued directions to convene meeting of the Unsecured Creditors of the Transferee Company.

(u) **Net Worth of the Transferee Company as on 30<sup>th</sup> September, 2025:** The net worth of the Transferee Company as on 30<sup>th</sup> September, 2025 is as below:

Particulars	Amount (Rs. in Crore)
Paid-up equity Share Capital	39.12
Add: Other equity	419.00
<b>Net Worth</b>	<b>458.12</b>

A copy of the Audited Annual Accounts as on 31<sup>st</sup> March, 2025 and the unaudited financial statements for the period from 1<sup>st</sup> April, 2025 to 30<sup>th</sup> September, 2025 of the Transferee Company, are annexed and marked as Annexure D.

(v) **Disclosure about effect of Scheme:**

S. No.	Particulars	Effect
1.	Directors/Key Managerial Personnel (KMP)	No effect, as pursuant to the Scheme becoming effective, the present Directors and KMPs of the Transferee Company shall continue to be the Directors and KMPs of the Transferee Company.

S. No.	Particulars	Effect
2.	Promoter Equity Shareholders	Since, the Transferor Company is a wholly owned subsidiary of the Transferee Company, accordingly, upon the Scheme becoming effective, no shares will be issued by the Transferee Company to the shareholders of the Transferor Company being itself and hence, there will be no change in the shareholding of the Promotor Equity Shareholders of the Transferee Company, pursuant to the Scheme.
3.	Non-Promoter Equity Shareholders	Since, the Transferor Company is a wholly owned subsidiary of the Transferee Company, accordingly, upon the Scheme becoming effective, no shares will be issued by the Transferee Company to the shareholders of the Transferor Company being itself and hence, there will be no change in the shareholding of Non-Promoter Equity Shareholders of the Transferee Company, pursuant to the Scheme.
4.	Employees	No Effect, as upon the Scheme becoming effective, present employees of the Transferee Company shall continue to be the employees of the Transferee Company.
5.	Secured Creditors	No effect, as upon the Scheme becoming effective, secured creditors of the Transferee Company shall continue to be the secured creditors of the Transferee Company.
6.	Unsecured Creditors	No effect, as upon the Scheme becoming effective, Unsecured Creditors of the Transferee Company shall continue to be the Unsecured Creditors of the Transferee Company.
7.	Depositors	Not Applicable, as there are no depositors in the Transferee Company.
8.	Deposit Trustee	Not Applicable, as there is no deposit trustee in the Transferee Company.
9.	Debenture Holders	Not Applicable, as there is no debenture holder in the Transferee Company.
10.	Debenture Trustee	Not Applicable, as there is no debenture trustee in the Transferee Company.

Kindly also refer to the report adopted by the board of directors of Transferee Company in their meeting held on 2<sup>nd</sup> August, 2025, annexed herewith and marked as Annexure E.

4. Details of the Transferor Company are given hereunder:

- (a) **Corporate Identification Number (CIN):** U74899DL2006PTC144412
- (b) **Permanent Account Number:** AAJCS7525A
- (c) **Name:** Mawana Foods Private Limited
- (d) **Date of Incorporation:** 03<sup>rd</sup> January, 2006
- (e) **Type of Company:** Unlisted Private Limited Company
- (f) **Registered Office:** 5<sup>th</sup> Floor, Kirti Mahal, 19 Rajendra Place, Central Delhi, New Delhi – 110008.
- (g) **E-Mail Id:** [atreyee\\_das@usha.com](mailto:atreyee_das@usha.com)
- (h) **Website Address:** [www.mawanafoods.com](http://www.mawanafoods.com)
- (i) **Details of Capital Structure:** Capital Structure of Transferor Company as on 30<sup>th</sup> September, 2025 is as under:

<b>Share Capital</b>	<b>Amount (in Rs.)</b>
<b>Authorized Share Capital</b>	
2,50,00,000 equity shares of Rs. 10/- each	25,00,00,000
	<b>Total</b>
	<b>25,00,00,000</b>
<b>Issued, Subscribed and Paid-up Share Capital:</b>	
2,00,36,851 equity shares of Rs. 10/- each	20,03,68,510
	<b>Total</b>
	<b>20,03,68,510</b>

Subsequent to 30<sup>th</sup> September, 2025 and till the date of this notice, there is no change in the authorised, issued, subscribed and paid-up share capital of the Transferor Company.

(j) **Main Objects as per Memorandum of Association:** The main objects of the Transferor Company as set out in Clause III(A) of its memorandum of association are inter alia as follows:

*“49. To carry on and work the business of cultivators, winners and buyers of every kind of vegetable, mineral or other produce of the soil, including cotton, sugarcane, nuts, per fume producing vegetation etc., to prepare, manufacture and render marketable any such products and to sell, dispose of and deal in any such produce, either in its prepared, manufactured or raw state, and either by wholesale or retail.*

....

*46. To carry on the business of producing, acquiring and trading in sugarcane and other sugar producing materials and converting them into sugar and other marketable commodities and selling the same in any form, shape, or design.”*

(k) **Nature of the business carried on by the Transferor Company:** The Transferor Company is engaged in the business of trading sugar under the brand name ‘Mawana’.

(l) **Name of stock exchange where securities are listed:** Not Applicable, as the securities of the Transferor Company are not listed on any stock exchange, in India or outside India.

(m) **Details of change of name of the Transferor Company in last 5 years:** Not applicable, as there has been no change of name of the Transferee Company in the last 5 years,

(n) **Details of change of registered office of the Transferor Company in the last 5 years:** Not applicable, as there has been no change of registered office of Transferor Company in the last 5 years.

(o) **Details of change of objects of the Transferor Company in the last 5 years:** Not applicable, as there has been no change in the objects of Transferor Company in the last 5 years.

(p) **Date of board meeting in which the Scheme was approved:** The board of directors of the Transferor Company who at their meeting held on 12<sup>th</sup> August, 2025 voted in favour of the resolution, who voted against the resolution and who did not vote or participate on such resolution are as under:

<b>S. No.</b>	<b>Name of Directors along with their DIN</b>	<b>Voted in Favour/ Against/ Abstain from voting</b>
1.	Mr. Arun Kumar Kaul [DIN: 09127653]	Voted in favour
2.	Mr. Gobind Ram Arora [DIN: 09465677]	Voted in favour
3.	Mr. Rakesh Kumar Gangwar [DIN: 09485856]	Voted in favour

A certified true copy of the board resolution in which the Scheme was approved is attached herewith and marked as **Annexure F**.

(q) **Names of present directors along with their DIN and residential addresses:** The list of present directors of the Transferor Company is outlined below:

<b>S. No.</b>	<b>Name</b>	<b>DIN</b>	<b>Address</b>	<b>Designation</b>
1.	Mr. Arun Kumar Kaul	09127653	W-1C-126, Wellington Estate, DLF City, Phase-5, Gurugram-122009, Haryana	Non-Executive and Independent Director
2.	Mr. Gobind Ram Arora	09465677	House No.18, 1st Floor H-1 Block, South City 2, Sector-49, Gurugram - 122018	Non-Executive and Independent Director
3.	Mr. Rakesh Kumar Gangwar	09485856	Flat No.302, Tower-12 Orchid Petals, Sohna Road, Setor-49, South City-II, Gurugram -122018, Haryana	Managing Director

(r) **Names of the promoters along with their addresses:** A list of promoters of the Transferor Company is outlined below:

S. No.	Name of Promoters	Address of Promoters
1.	Mawana Sugars Limited	5 <sup>th</sup> Floor, Kirti Mahal, 19 Rajendra Place, Central Delhi, New Delhi – 110125.
2.	Mr. Pramod Kumar Bhalla (Nominee Shareholder of Mawana Sugars Ltd.)	D-003, IVY Group Housing Complex, DLF-IV, Sector-28, Gurugram-122009

(s) **Amount due to Secured Creditors:** The Transferor Company has no secured creditors as on 30<sup>th</sup> June, 2025 and accordingly, as per the directions of the Hon'ble Tribunal requirement of convening and holding the meeting of secured creditors of the Transferor Company does not arise.

(t) **Amount due to Unsecured Creditors:** The Transferor Company has 1 (one) unsecured creditor for an outstanding debt of INR 3,35,77,423/- (Indian Rupees Three Crores Thirty-Five Lakhs Seventy-Seven Thousand Four Hundred and Twenty-Three Only) as on 30<sup>th</sup> June, 2025. Further, the sole unsecured creditor holding 100% of the unsecured debt has provided its consent by way of affidavit and accordingly, the Hon'ble Tribunal vide its Order dated 18<sup>th</sup> December, 2025 has dispensed with the requirement of convening and holding the meeting of Unsecured Creditors of the Transferor Company.

(u) **Net Worth of the Transferor Company as on 30<sup>th</sup> September, 2025:** The net worth of the Transferor Company as on 30<sup>th</sup> September, 2025 is as below:

Particulars	Amount (Rs. in Lakhs)
Paid-up equity Share Capital	2003.69
<b>Add: Other equity</b>	(1884.85)
<b>Net Worth</b>	118.84

(v) A copy of the Audited Annual Accounts as on 31<sup>st</sup> March, 2025 and the unaudited financial statements for the period from 1<sup>st</sup> April, 2025 to 30<sup>th</sup> September, 2025 of the Transferor Company, are annexed and marked as Annexure G.

(w) **Disclosure about effect of Scheme:**

S. No.	Particulars	Effect
1.	Directors/Key Managerial Personnel (KMP)	Upon the Scheme becoming effective, the Transferor Company shall stand dissolved and accordingly, existing directors and KMPs of the Transferor Company shall cease to be the directors and KMPs of the Transferor Company.
2.	Promoter Equity Shareholders	Upon the Scheme becoming effective, the Transferor Company shall stand dissolved and accordingly, all the equity shares as held by the Transferee Company in the equity shareholding of the Transferor Company either by itself or through its nominee(s) shall stand cancelled and extinguished.
3.	Non-Promoter Equity Shareholders	Not applicable, as there is no non-promoter equity shareholding in the Transferor Company.
4.	Employees	As per clause 15.1 of the Scheme, upon the Scheme becoming effective, all staff, workmen and employees who are in employment of the Transferor Company on the Effective Date (as defined in the Scheme) shall become the staff, workmen and employees of the Transferee Company with effect from the Appointed Date (as defined in the Scheme), on such terms and conditions as are no less favourable than those applicable to them immediately prior to the said transfer and their employment shall be deemed to have been continuous and not interrupted.

S. No.	Particulars	Effect
		Further, as far as provident fund, employee state insurance plan scheme, national pension scheme, gratuity scheme/trusts, leave encashment, superannuation scheme, compensated absences, unavailed leave scheme or any other special scheme(s) or fund(s) or trust(s), provisions for benefits created or existing, if any, for the benefit of staff/workmen/employees of the Company are concerned, upon coming into effect of the Scheme, the Transferee Company shall stand substituted for the Transferor Company for all purposes whatsoever, related to administration or operation of such scheme(s) or fund(s) or trust(s) to the end and intent that all rights, duties, powers and obligation(s) of the Transferor Company in relation to such scheme(s) or fund(s) or trust(s) shall become those of the Transferee Company.
5.	Secured Creditors	No effect, as there are no secured creditors of the Company.
6.	Unsecured Creditors	Upon the Scheme becoming effective, Unsecured Creditors of the Transferor Company will become the Unsecured Creditors of the Transferee Company.
7.	Depositors	Not Applicable, as there are no depositors in the Transferor Company.
8.	Deposit Trustee	Not Applicable, as there is no deposit trustee in the Transferor Company.
9.	Debenture Holders	Not Applicable, as there is no debenture holder in the Transferor Company.
10.	Debenture Trustee	Not Applicable, as there is no debenture trustee in the Transferor Company.

Kindly also refer to the report adopted by the board of directors of Transferor Company in their meeting held on 12th August, 2025, annexed herewith and marked as Annexure H.

**5. Relationship between the Companies involved in the present Scheme:**

The Transferor Company is the wholly owned Subsidiary of the Transferee Company.

**6. The salient features of the Scheme are set out hereunder:**

**A. Rationale of the Scheme:**

The Transferee Company is engaged in the business of manufacturing and marketing of sugar, ethanol and co-generation of power at its units located at Mawana Sugar Works, Mawana, District Meerut, Uttar Pradesh and Nanglamal Sugar Complex, Nanglamal, District Meerut, Uttar Pradesh, whereas the Transferor Company is engaged in the business of trading of sugar under the brand name "Mawana". As both the Companies are engaged in a similar line of businesses, in order to leverage the existing strength and capabilities of group entities engaged in similar businesses, it is proposed to amalgamate the Transferor Company with and into the Transferee Company.

Thus, the Amalgamation would, inter alia, have the following benefits:

- (a) The consolidation of business would create synergies between the businesses of the Companies, thereby enabling pooling of financial, marketing, technical, distribution and other resources along with optimum utilization of resources.
- (b) The Scheme would lead to efficient and economical cost management, cost savings, better alignment, coordination and streamlining of day-to-day operations of the units and will provide a larger and stronger base for potential future growth.

- (c) The consolidation of business would result in simplification of the existing corporate structure and elimination of administrative duplications, consequently leading to rationalization of administrative expenses/services as well as reduction of multiple legal and regulatory compliances.
- (d) The consolidation of business would allow for a streamlined decision-making process, help in better utilization of human resources and provide access to a larger and more diverse talent pool leading to improved expertise, skills and capabilities.
- (e) The Scheme, as envisaged, is in the interest of the shareholders, creditors, employees and other stakeholders of each of the Companies by pursuing a focused business approach under a single entity, thereby resulting in overall maximization of value creation of all the stakeholders involved.

The respective board of directors of the Transferor Company and the Transferee Company are of the opinion that the Scheme is not prejudicial to the shareholders, directors, key management personnel, creditors, lenders, employees and other stakeholders of the Companies.

- B. The **Appointed Date** of the Scheme is 1<sup>st</sup> April, 2025 or such other subsequent date as the Hon'ble Tribunal (as defined in the Scheme) may direct.
- C. **Effective Date** means the last of the dates on which all the conditions and matters referred to in clause 24 of Part-IV of the Scheme have been fulfilled or waived in accordance with the Scheme and Applicable Laws.
- D. Pursuant to the Scheme, upon the coming into effect of the Scheme and with effect from the Appointed Date, the entire business and undertaking of the Transferor Company, including all its assets, properties, rights, claims, liabilities, obligations, contracts, licenses, and employees, shall stand transferred to and vested in the Transferee Company as a going concern without any further act, deed, matter or thing.
- E. All employees of the Transferor Company, who are in service on the Effective Date, shall become employees of the Transferee Company on the same terms and conditions as were applicable to them prior to the amalgamation and without any interruption in service.
- F. The Scheme is conditional upon and subject to the approvals of the shareholders and creditors of the Transferor Company and the Transferee Company, as may be directed by the Hon'ble NCLT, sanction by the Hon'ble NCLT, receipt of such other approvals as may be required under applicable laws, and filing of certified copies of the orders of the Hon'ble NCLT with the Registrar of Companies of relevant jurisdiction by both the Transferor Company and the Transferee Company.
- G. Upon the Scheme becoming effective, the Transferor Company shall, without any further act or deed, stand dissolved without being wound up.
- H. Since, the Transferor Company is a wholly owned subsidiary of the Transferee Company, accordingly, upon the Scheme becoming effective, all the equity shares as held by the Transferee Company in the equity share capital of the Transferor Company either by itself or through its nominees shall stand cancelled and extinguished. Therefore, there will be no issue and allotment of shares as consideration by the Transferee Company to the shareholders of the Transferor Company upon coming into effect of the Scheme. The investment in the shares of the Transferor Company, appearing in the books of account of Transferor Company shall, without any further act or deed, stand cancelled.

For the complete details and features of the Scheme, refer the Scheme annexed to this Notice and Explanatory Statement.

7. Investigation or proceedings, if any, pending against the Company under the Act: **NA**
8. Details of approval from regulatory authorities: **NA**
9. There is no Capital/ Debt Restructuring in the Scheme.
10. The following documents are available for obtaining extracts from or for making or obtaining copies of or for inspection at the 'registered office of the Transferee Company on all working days (except Saturdays, Sundays and public holidays) between 11:00 a.m. (IST) to 05:00 p.m. (IST), up to one day prior to the date of the Meeting.
  - (i) Copy of the Scheme.
  - (ii) Copies of statutory auditor certificates of the respective Companies to the effect that accounting treatment as specified in the Scheme is in conformity with the applicable Accounting Standards as notified under Section 133 of the Act.

- (iii) Copy of order dated 18<sup>th</sup> December, 2025 passed by Hon'ble Tribunal in Company Application No. CA (CAA)-80/ND/2025.
- (iv) Copies of memorandum and articles of association of the respective Companies.
- (v) Copies of audited financial statements of the respective Companies for the financial year ended on 31st March, 2025.
- (vi) Copy of the unaudited financial statements for the period from 1<sup>st</sup> April, 2025 to 30<sup>th</sup> September, 2025 of the respective Companies.
- (vii) Certified true copies of the respective resolutions passed by the board of directors of the respective Companies in their respective meetings, approving the Scheme.
- (viii) Copy of reports adopted by the board of directors of the respective Companies in their respective meetings, in terms of the provisions of section 232(2)(c) of the Act read with rule 6(3)(vi) of CAA Rules.

Sd/-

**Adv. Aditya Dewan**  
**Chairperson appointed vide NCLT Order for the Meeting of**  
**Equity Shareholders of Mawana Sugars Limited**

**Dated: 10<sup>th</sup> January 2026**

**Place: New Delhi**

**Scheme of Amalgamation**

**Between**

**Mawana Foods Private Limited**

**And**

**Mawana Sugars Limited**

**And**

**Their respective shareholders and creditors**

**[Pursuant to sections 230 to 232 and other applicable provisions, if any, of the Companies Act, 2013]**

**Preamble**

This scheme of amalgamation (hereinafter referred to as "Scheme" and more particularly defined hereinafter) is presented under the provisions of sections 230 to 232 and other relevant provisions, if any, of the Companies Act, 2013 (hereinafter referred to as "Act" and more particularly defined hereinafter) as applicable, read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, for amalgamation of Mawana Foods Private Limited (hereinafter referred to as "**Transferor Company**") with and into Mawana Sugars Limited (hereinafter referred to as "**Transferee Company**"), on a going concern basis with effect from the Appointed Date (more particular defined hereinafter).

[For the sake of brevity, the Transferor Company and Transferee Company are hereinafter collectively referred to as "**Companies**"].

**1. BACKGROUND AND DESCRIPTION OF COMPANIES**

1.1. Mawana Sugars Limited or Transferee Company is a listed public limited company duly incorporated under the provisions of Companies Act, 1956 on 27<sup>th</sup> March 1961, bearing Corporate Identification Number ("CIN") L74100DL1961PLC003413 and having its registered office situated in the State of Delhi at 5<sup>th</sup> Floor, Kirti Mahal, 19 Rajendra Place, Central Delhi, New Delhi – 110125, India. The equity shares of the Transferee Company are listed on the Stock Exchanges (as defined hereinafter). Permanent Account Number ("PAN") of the Transferee Company is AAACS4902Q, and the correspondence e-mail address of the Transferee Company is secretarialdeptt@mawanasugars.com.

The Transferee Company is engaged in business of manufacturing and marketing of sugar, ethanol and cogeneration of power at its units located at Mawana Sugar



Works, Distt. Meerut, Uttar Pradesh and Nanglamal Sugar Complex, Nanglamal, Distt. Meerut, Uttar Pradesh.

1.2. Mawana Foods Private Limited or Transferor Company is an unlisted private limited company duly incorporated under the provisions of the Companies Act, 1956 on 3<sup>rd</sup> January 2006, bearing CIN U74899DL2006PTC144412 and having its registered office situated in the State of Delhi at 5<sup>th</sup> Floor, Kirti Mahal, 19 Rajendra Place, Central Delhi, New Delhi -110008, India. PAN of the Transferor Company is AAJCS7525A. The correspondence e-mail address of the Transferor Company is ashokkumarshukla@mawanafoods.com. Further, the Transferor Company is a wholly owned subsidiary of the Transferee Company.

The Transferor Company is engaged in the business of trading of sugar under the brand name 'Mawana'.

## 2. RATIONALE FOR THE SCHEME

The Transferee Company is engaged in the business of manufacturing and marketing of sugar, ethanol and cogeneration of power at its units located at Mawana Sugar Works, Distt. Meerut, Uttar Pradesh and Nanglamal Sugar Complex, Nanglamal, Distt. Meerut, Uttar Pradesh whereas the Transferor Company is engaged in the business of trading of sugar under the brand name 'Mawana'. As both the Companies are engaged in similar line of businesses, accordingly, in order to leverage the existing strength and capabilities of group entities engaged in similar businesses, it is proposed to amalgamate the Transferor Company with and into the Transferee Company.

Thus, the Amalgamation (as defined hereinafter) would, inter-alia, have the following benefits:

- (a) the consolidation of business would create synergies between the businesses of the Companies, thereby enabling pooling of financial, marketing, technical, distribution and other resources along with optimum utilization of resources.
- (b) the Scheme would lead to efficient and economical cost management, cost savings, better alignment, coordination and streamlining of day-to-day operations of the units and will provide a larger and stronger base for potential future growth.
- (c) the consolidation of business would result in simplification of the existing corporate structure and eliminate administrative duplications, consequently rationalization of administrative expenses/ services as well as reducing multiple legal and regulatory compliances.



- (d) the consolidation of business would allow for streamlined decision making process, help in better utilization of human resources and providing access to a larger and more diverse talent pool leading to improved expertise, skills and capabilities.
- (e) thus, this Scheme, as envisaged, is in the interest of the shareholders, creditors, employees, and other stakeholders of each of the Companies by pursuing a focused business approach under a single entity, thereby resulting in overall maximization of value creation of all the stakeholders involved.

The respective Board of Directors of the Transferor Company and the Transferee Company are of the opinion that the Scheme is not prejudicial to the shareholders, directors, key management personnel, creditors, lenders, employees and other stakeholders of the companies.

### 3. PARTS OF THE SCHEME:

This Scheme is divided into the following parts:

**Part-I:** This part of the Scheme deals with definitions, interpretation, sets out the capital structure of the companies and date of taking into effect and implementation of the Scheme.

**Part-II:** This part of the Scheme, inter-alia, deals with transfer and vesting of the assets, liabilities, profits or losses, legal proceedings, employees and business of the Transferor Company with and into the Transferee Company.

**Part-III:** This part of the Scheme deals with consideration for Amalgamation (as defined hereinafter).

**Part-IV:** This part of the Scheme deals with accounting treatment, conditionality of the Scheme and other miscellaneous provisions.

### PART-I

#### DEFINITIONS, INTERPRETATION, CAPITAL STRUCTURE OF THE COMPANIES AND DATE OF TAKING INTO EFFECT OF THE SCHEME AND IMPLEMENTATION OF THE SCHEME

### 4. DEFINITIONS

In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the meanings respectively assigned to them hereinbelow:



4.1. **“Act”** means the Companies Act, 2013 and applicable rules made thereunder (including any statutory amendment(s), modification(s) or re-enactment(s) thereof for the time being in force).

4.2. **“Amalgamation”** means amalgamation of the Transferor Company with and into the Transferee Company on a going concern basis in terms of the Scheme (as defined hereinafter) in its present form or with any modification(s) as approved by the Hon’ble Tribunal (as defined hereinafter).

4.3. **“Applicable Laws”** means any relevant statute, notification, by-laws, rules, regulations, guidelines, rule of common law, policy, code, directives, ordinances, schemes, notices, treaties, judgement, decree, approvals, orders or instructions enacted or issued or sanctioned by any Governmental and Registration Authority (as defined hereinafter), having the force of law and as applicable to the Companies.

4.4. **“Appointed Date”** for the purpose of this Scheme means 1<sup>st</sup> April 2025 or such other date as the Hon’ble Tribunal (as defined hereinafter) may direct.

4.5. **“Board of Directors”** or **“Board”** in relation to the Transferor Company and Transferee Company, as the case may be, means the board of directors of such companies and shall include a committee of directors or any person authorized by such board of directors, or such committee of directors duly constituted and authorized for the purposes of matters pertaining to this Scheme or any other matter relating thereto.

4.6. **“Effective Date”** shall be last of the dates on which all the conditions and matters referred to in clause 24 of Part-IV have been fulfilled or waived in accordance with this Scheme and Applicable Laws.

Provided that references in this Scheme to the date of “upon coming into effect of the Scheme” or “upon the scheme becoming effective” or “effectiveness of the Scheme” shall mean the Effective Date.

4.7. **“Governmental and Registration Authority”** means an authority established by a government of any jurisdiction (including any national, state, municipal, or local government or any political or administrative subdivision thereof), any legislative body, regulatory or administrative authority, agency or commission or any court, tribunal, SEBI (as defined hereinafter), Stock Exchanges (as defined hereinafter), quasi-judicial body or arbitral body having jurisdiction over the Companies.

4.8. **“GST”** means the goods and services tax levied under the Central Goods and Services Tax Act, 2017, and the respective States Goods and Services Tax Act,



2017, Union Territory Goods and Services Tax, 2017 and the Goods and Services Tax (Compensation to States) Act, 2017.

4.9. “**Intellectual Property Rights**” or “**IPR**” means, whether registered or not in the name of the Transferor Company or recognized under Applicable Laws as being intellectual property of the Transferor Company.

4.10. “**IT Act**” means the Income-Tax Act, 1961 and the rules made thereunder and shall include any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force.

4.11. “**Registrar of Companies**” or “**RoC**” means the Registrar of Companies, Delhi.

4.12. “**Scheme**” or “**the Scheme**” or “**this Scheme**” means this scheme of amalgamation between the Companies and their respective shareholders and creditors pursuant to the provisions of sections 230 to 232 and other applicable provisions of the Act in its present form or with any modification(s) made pursuant to the provisions of this Scheme by the Board of Directors of the Companies and/ or as approved or directed by the Hon’ble Tribunal, as the case may be.

4.13. “**SEBI**” means Securities and Exchange Board of India.

4.14. “**SEBI Master Circular**” shall mean the SEBI Master Circular dated 20<sup>th</sup> June 2023 bearing reference No. SEBI/HO/CFD/POD-2/P/CIR/2023/93, as amended or replaced from time to time.

4.15. “**SEBI LODR Regulations**” means the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

4.16. “**Stock Exchanges**” means BSE Limited and National Stock Exchange of India Limited, collectively.

4.17. “**Transferee Company**” shall have the meaning as ascribed to it in clause 1.1 of this Scheme.

4.18. “**Transferor Company**” shall have the meaning as ascribed to it in clause 1.2 of this Scheme.

4.19. “**Tribunal**” or “**NCLT**” means the National Company Law Tribunal, Bench at New Delhi.

## 5. INTERPRETATION

Terms and expressions which are used in this Scheme but not defined herein shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act and if not defined therein then



under the relevant Applicable Laws. In this Scheme, unless the context otherwise requires:

- i. references to "persons" shall include individuals, bodies corporate (wherever incorporated), unincorporated associations and partnerships.
- ii. heading, sub-heading and bold typeface are only for convenience and shall not affect the construction or interpretation of this Scheme.
- iii. the term "Clause" refers to the specified clause of this Scheme.
- iv. references to one gender includes all genders.
- v. any phrase introduced by the terms "including", "include", "in particular" or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.
- vi. words in the singular shall include the plural and vice versa.
- vii. reference to any legislation, statute, regulation, rule, notification or any other provision of law means and includes references to such legal provisions as amended, supplemented or re-enacted from time to time and any reference to a legal provision shall include any subordinate legislation made from time to time under such a statutory provision.

## 6. CAPITAL STRUCTURE OF THE COMPANIES

6.1. The authorised, issued, subscribed and paid-up share capital of the Transferee Company as on 1<sup>st</sup> April 2025 is as under:

Share Capital	Amount (in Rs.)
<b>Authorized Share Capital</b>	
10,00,00,000 equity shares of Rs. 10/- each	100,00,00,000/-
75,00,000 preference shares of Rs. 100/- each	75,00,00,000/-
<b>Total</b>	<b>175,00,00,000/-</b>
<b>Issued, Subscribed and Paid-up Share Capital:</b>	
39,116,864 equity shares of Rs. 10/- each	39,11,68,640/-
<b>Total</b>	<b>39,11,68,640/-</b>

Subsequent to 1<sup>st</sup> April 2025 and till the date of approval of this Scheme by the Board of Directors of the Transferee Company, there has been no change in the authorized, issued, subscribed and paid-up share capital of the Transferee Company.

The equity shares of the Transferee Company are listed on the Stock Exchanges.



6.2. The authorised, issued, subscribed and paid-up share capital of the Transferor Company as on 1<sup>st</sup> April 2025 is as under:

Share Capital	Amount (in Rs.)
<b>Authorized Share Capital</b>	
2,50,00,000 equity shares of Rs. 10/- each	25,00,00,000/-
<b>Total</b>	<b>25,00,00,000/-</b>
<b>Issued, Subscribed and Paid-up Share Capital:</b>	
2,00,36,851 equity shares of Rs. 10/- each	20,03,68,510/-
<b>Total</b>	<b>20,03,68,510/-</b>

Subsequent to 1<sup>st</sup> April 2025 and till the date of approval of this Scheme by the Board of Directors of the Transferor Company, there has been no change in the authorized, issued, subscribed and paid-up share capital of the Transferor Company.

6.3. It is expressly clarified that until this Scheme becomes effective, the Companies are free to alter their authorized, issued, subscribed and paid-up share capital for their basic respective business requirements, by way of fresh issue, consolidation, buy-back, stock-split or any other manner, as may be required, subject to the necessary approvals from their respective Board and shareholders, if required.

## 7. DATE OF TAKING EFFECT AND IMPLEMENTATION OF THIS SCHEME

7.1. This Scheme in its present form or with any modification(s) made in accordance with clause 23 of this Scheme, shall become effective from the Appointed Date but shall be operational from the Effective Date.

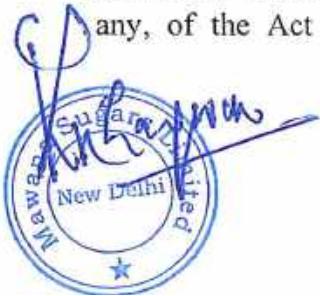
## PART-II

### TRANSFER AND VESTING OF ASSETS, LIABILITIES, PROFITS OR LOSSES, LEGAL PROCEEDINGS, EMPLOYEES AND BUSINESS ETC. OF TRANSFEROR COMPANY WITH AND INTO THE TRANSFeree COMPANY

## 8. TRANSFER AND VESTING

8.1. Upon this Scheme becoming effective and with effect from the Appointed Date, all the assets and liabilities of the Transferor Company shall be transferred to and vested in the Transferee Company in the following manner:

(a) All the assets and liabilities of the Transferor Company shall under the provisions of sections 230 to 232 and all other applicable provisions, if any, of the Act and pursuant to the order of the Hon'ble Tribunal



sanctioning the Scheme and without any further act, instrument or deed, be transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company as a going concern on and from the Appointed Date.

(b) The Scheme has been drawn up to comply with the conditions relating to "Amalgamation" as specified under section 2(1B) of the IT Act. If any terms or provisions of the Scheme are found to be interpreted or inconsistent with the said provisions at a later date including resulting from amendment of any law or for any other reason whatsoever, the provisions of the said section of the IT Act shall prevail and the Scheme shall stand modified to the extent necessary to comply with the section 2(1B) of the IT Act. Such modification will, however, not affect the remaining parts of the Scheme.

## 9. TRANSFER OF ASSETS

9.1. Upon the Scheme becoming effective and with effect from the Appointed Date and subject to the provisions of this Scheme, the whole of the undertaking and properties including assets, being movable or immovable, tangible or intangible, rights and interests of every description belonging to the Transferor Company (hereinafter referred to as "Assets"), be transferred to and stand vested in and/or be deemed to be transferred to and stand vested in the Transferee Company in the mode and manner as specified in this Scheme on a going concern basis pursuant to the provisions of sections 230 to 232 and all other applicable provisions, if any, of the Act and pursuant to the order of the Hon'ble Tribunal or any other appropriate authority or forum, if any, sanctioning the Scheme, without any further act, instrument, deed, matter or thing so as to become on and from Appointed Date, Assets of the Transferee Company.

9.2. Without prejudice to the above, the tangible and intangible assets of the Transferor Company as are movable in nature or otherwise capable of being transferred by physical delivery or by endorsement and delivery, shall be so transferred by the Transferor Company, without requiring any deed, instrument or conveyance for the same unless specifically desired by any Governmental and Registration Authority or any third party and shall become the property of the Transferee Company on and from the Appointed Date.

9.3. Without prejudice to the above, in respect of the properties other than those referred to in clause 9.2 above, including but not limited to all immovable properties, if any and all the documents of title, rights and easements in relation thereto, if any, shall pursuant to the provisions of sections 230 to 232 of the Act and pursuant to the order of the Hon'ble Tribunal sanctioning this Scheme, be



transferred by the Transferor Company, without any act, deed, instrument or charge or securities for the same and shall become the properties of the Transferee Company on and from the Appointed Date.

9.4. Without prejudice to the above, Intellectual Property Rights, if any, of the Transferor Company shall stand transferred to and vested and be deemed to be transferred to and vested in the name of the Transferee Company without any further act, instrument or deed. The Transferee Company, however, shall, after the effectiveness of this Scheme, file relevant intimations, if required, with the Governmental and Registration Authority concerned in relation to Amalgamation, who shall take them on record pursuant to the order of Hon'ble Tribunal.

## 10. TRANSFER OF LIABILITIES

10.1. Upon the Scheme becoming effective and with effect from the Appointed Date and subject to the provisions of this Scheme, all secured and unsecured liabilities, borrowings (long-term and short-term) including liabilities of every kind, nature and description, whatsoever and howsoever arising, whether present or future, including contractual liabilities and obligations of Transferor Company (hereinafter referred to as "**Liabilities**") shall be transferred to and stand vested in and/or be deemed to be transferred to and stand vested in the Transferee Company, on a going concern basis, pursuant to provisions of sections 230 to 232 and all other applicable provisions, if any, of Act and pursuant to the order of the Hon'ble Tribunal or any other appropriate authority or forum, if any, sanctioning the Scheme.

10.2. With effect from the Effective Date and until such time the names of the bank accounts of the Transferor Company are replaced with that of the Transferee Company, the Transferee Company shall be entitled to operate the existing bank account(s) of the Transferor Company, in so far, as may be necessary. The banks shall also allow, and honour cheques or other bills issued in the name of the Transferor Company on and from the Effective Date.

10.3. Without prejudice to other provisions of this Scheme and notwithstanding that vesting of Liabilities of the Transferor Company with and into the Transferee Company occurs by virtue of this Scheme itself, the Transferee Company, at any time upon coming into effect of this Scheme, may execute deeds of confirmation or other writings or arrangements with any party to any contract or arrangement or memorandum of understanding to which the Transferor Company is a party, on the Effective Date, as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall under the



provisions of this Scheme and/or subject to necessary approvals required under the Applicable Laws be deemed to be authorized to execute any such writings on behalf of the Transferor Company to carry out or perform all such formalities or compliance, referred to above.

## **11. TRANSFER OF PROFITS, INCOMES, LOSSES AND EXPENDITURE**

11.1. All profits or incomes or expenditure or losses accruing or arising to the Transferor Company or expenditure arising or incurred including interest expenses, bonus to employees, if any, to the Transferor Company on and any time after Appointed Date shall, for all purposes, be treated and be deemed to be and accrue as the profits or incomes or expenditure or losses, as the case may be, of the Transferee Company.

## **12. LEGAL PROCEEDINGS**

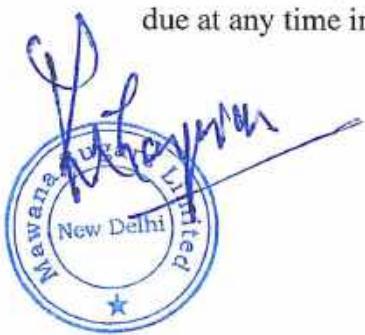
12.1 Upon coming into effect of this Scheme, all suits, actions and other proceedings including legal and taxation proceedings (before any statutory or quasi-judicial authority or tribunal or any court or arbitral body), if any, by or against the Transferor Company pending and/or arising on or before the Effective Date shall be continued and/or be enforced by or against the Transferee Company as effectually and in the same manner and extent as if the same has been instituted and/or pending and/or arising by or against the Transferee Company.

12.2 It is expressly specified that the Transferee Company undertakes to have all legal or other proceedings initiated by or against the Transferor Company as referred above, be transferred to its name and shall have the same continued, prosecuted and enforced in its name.

## **13. INTER COMPANY TRANSACTIONS**

13.1 Without prejudice to the above provisions, upon the Scheme becoming effective and with effect from the Appointed Date, all inter-company transactions, inter se, between the Transferor Company and the Transferee Company including but not limited to:

- any loans, advances, investment in equity share capital and preference share capital or otherwise and other obligations which are due or outstanding or which may at any time in future; or
- any agreement/memorandum of understanding, executed between the aforesaid Companies which are due or outstanding or which may become due at any time in future,



shall stand cancelled as on the Effective Date and shall be of no effect and the Transferor Company and the Transferee Company shall have no further obligation outstanding in that regard.

#### 14. TREATMENT OF TAXES

- 14.1 Any liabilities including all liabilities under the IT Act, the GST laws, or other Applicable Laws/ regulations, if any (hereinafter collectively referred to as "Tax Laws") dealing with taxes/ duties/ levies allocable or related to the business of the Transferor Company to the extent not provided for or covered by tax provision in the accounts made as on the date immediately preceding the Appointed Date shall be transferred to the Transferee Company pursuant to the Scheme becoming effective. Similarly all credits for taxes, if any, available under applicable Tax Laws including Minimum Alternate Tax, Sales Tax/ Value Added Tax and Service Tax, GST Act to Transferor Company or obligation for deduction/ collection of tax at source on any payment made by or to be made by the Transferor Company shall be made or deemed to have been made and duly complied with by the Transferee Company and the relevant authorities shall be bound to transfer to the account of and give credit for the same to Transferee Company upon the Scheme becoming effective and upon relevant proof and documents being provided to the authorities. Similarly, any advance tax, self-assessment tax payment, if any, made by Transferor Company shall also be deemed to have been made by the Transferee Company.
- 14.2 All taxes including income tax, dividend distribution tax, buyback tax, equalisation levy, customs duty, GST etc. paid or payable by the Transferor Company, if any, in respect of the operations and/ or the profits of the business on and from the Appointed Date, shall be on account of the Transferee Company and, in so far as it relates to the tax payment (including without limitation income tax, GST etc.), whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Company in respect of the profits or activities or operation of the business on and from the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company, and, shall in all proceedings, be dealt with accordingly.
- 14.3 Upon this Scheme becoming effective, all unavailed credits, claims and exemptions, any refunds, interest due there on and other statutory benefits, if any, in respect of income tax (including but not limited to TDS, tax collected at source, advance tax, book and tax losses etc.), cenvat, customs, value added tax, sales tax, service tax, GST etc. to which the Transferor Company is entitled to, prior to the period of the Appointed Date, shall be available to and vest in the Transferee Company, without any further act or deed. Further any taxes paid, and



taxes deducted at source and deposited by the Transferee Company on inter se transactions during the period between the Appointed Date and the Effective Date shall be treated as advance tax paid by the Transferee Company and shall be available to the Transferee Company for set-off against its liability under the IT Act, and excess tax so paid shall be eligible for refund together with interest.

- 14.4 Upon the Scheme becoming effective, the Transferee Company is permitted to file or revise the returns of the Transferor Company including but not limited to TDS return, sales tax/value added tax returns, GST returns and all other relevant returns filed with the Governmental and Registration Authority for the period prior to the Appointed Date, to claim refunds and interest due, if any thereon, credits, exemptions pursuant to provisions of this Scheme, notwithstanding that the time period prescribed for filing/ revision of such return may have elapsed.
- 14.5 Any refund, benefits, budgetary support under the Tax laws due to the Transferor Company consequent to the assessments made on the Transferor Company and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall belong to and be received by the Transferee Company. The concerned Governmental and Registration Authority shall be bound to transfer to the account of and give credit for the same to the Transferee Company upon the Scheme becoming effective and documents being provided to the said authorities.
- 14.6 The Transferee Company shall file relevant intimations, if required under the Applicable Laws, at its own cost, for the record of concerned Governmental and Registration Authority who shall take them on file. The Transferee Company shall be deemed to be authorized to execute any such writings on behalf of the Transferor Company in order to carry out or perform all such formalities or compliances referred to above on part of the Transferor Company.
- 14.7 All the expenses incurred by the Companies in relation to the Amalgamation as per the terms and conditions of this Scheme including stamp duty expenses, if any, shall be allowed as deduction to the Transferee Company in accordance with the provisions of section 35DD of the IT Act over a period of 5 years, or any other period prescribed under the IT Act, beginning with the previous year in which this Scheme becomes effective. Further, all the expenses incurred by the Transferor Company under Section 43B of the IT Act, in relation and pertaining to its business, shall be claimed as a deduction by the Transferee Company and the transfer of the entire business shall be considered as succession of business by the Transferee Company.

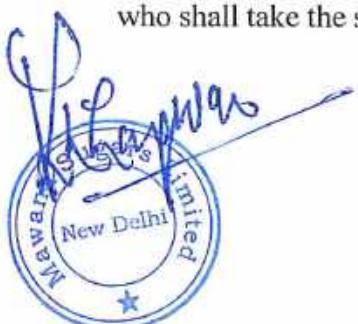


14.8 Upon the Scheme becoming effective, any TDS deposited, TDS certificates issued, or TDS returns filed by the Transferor Company shall continue to hold good as if such TDS amounts were deposited, TDS certificates were issued, and TDS returns were filed by the Transferee Company. Any TDS deducted by, or on behalf of the Transferor Company on inter se transactions will be treated as advance tax deposited by the Transferee Company and shall be available to the Transferee Company for set-off against its liability under the IT Act, and excess tax so paid shall be eligible for refund together with interest.

## 15. EMPLOYEES

15.1 Upon coming into effect of this Scheme:

- a) All staff and employees who are in employment of the Transferor Company on the Effective Date shall become the staff and employees of the Transferee Company with effect from the Appointed Date on the basis that:
  - (i) their employment shall be deemed to have been continuous and not interrupted by reasons of the said transfer; and
  - (ii) the terms and conditions of their employment after such transfer shall not in any way be less favourable to them than those applicable to them immediately preceding the said transfer.
- b) It is expressly provided that as far as provident fund, employee state insurance plan scheme, gratuity scheme/trusts, leave encashment, superannuation scheme, compensated absences, unavailed leave scheme or any other special scheme(s) or fund(s) or trust(s), provisions for benefits created or existing, if any, for benefit of staff / workmen / employees of the Transferor Company are concerned, upon coming into effect of the Scheme, the Transferee Company shall stand substituted for all the Transferor Company for all purposes whatsoever, related to the administration or operation of such scheme(s) or fund(s) or trust(s) and intent that all rights, duties, powers and obligation(s) of the Transferor Company in relation to such scheme(s) or fund(s) or trust(s) shall become those of the Transferee Company. It is clarified that the employment of employees of the Transferor Company will be treated as having been continuous for the purpose of the aforesaid scheme(s) or fund(s) or trust(s) including for the purposes of payment of any retrenchment compensation and other terminal benefits. The Transferee Company shall file relevant intimations with the Governmental and Registration Authority concerned who shall take the same on record and endorse the name of the Transferee



Company for the Transferor Company. Upon this Scheme becoming effective, all contributions to such scheme(s) or fund(s) or trust(s) created or existing for the benefit of such employees of the Transferor Company shall be made by the Transferee Company in accordance with the applicable provisions of such scheme(s) or fund(s) or trust(s) and Applicable Laws.

#### **16. CONTRACTS, DEEDS, RESOLUTIONS, ETC.**

- 16.1 Subject to other provisions contained in this Scheme, all contracts, understandings, agreements and writings and benefits of whatsoever nature, if any, to which the Transferor Company is a party and are subsisting or having effect on the Effective Date, shall remain in full force and effect against or in favour of the Transferee Company and may be enforced by or against the Transferee Company as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party thereto or beneficiary or oblige thereto or thereunder.
- 16.2 Without prejudice to the generality of the foregoing, it is clarified that upon this Scheme becoming effective and with effect from the Appointed Date, all consents, agreements, permissions, all statutory or regulatory licences, certificates, insurance covers, clearances, authorities, power of attorney given by, issued to or executed in favour of the Transferor Company or any instrument of whatsoever nature including various incentives, subsidies, schemes and other benefits or privileges enjoyed or availed by the Transferor Company, granted by any Governmental or Registration Authority, or by any other person, shall stand transferred to the Transferee Company as if the same were originally given by, issued to or executed in favour of the Transferee Company and the Transferee Company shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company.
- 16.3 All resolutions of the Transferor Company which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have any upper monetary or any other limits imposed under provisions of the Act, then the said limits shall apply mutatis mutandis to such resolutions and shall constitute the aggregate of the said limits in the Transferee Company.

#### **17. CONDUCT OF BUSINESS TILL EFFECTIVE DATE**

- 17.1 During the period between the approval of the Scheme by the Board of Directors of the Transferor Company and Transferee Company and Effective Date, the



Transferor Company shall be deemed to carry on all their businesses and other incidental matters for and on account of and in trust for the Transferee Company with reasonable diligence and due business prudence in the same manner as carried before and shall not without the prior written consent of the Transferee Company, alienate, charge, mortgage, encumber or otherwise deal with or dispose of any of such Assets or IPR and their business undertaking(s) or any part thereof, save and except in each case:

- a) If it is in the ordinary course of business of the Transferor Company; or
- b) If the same is expressly permitted by this Scheme.

## **18. SAVING OF CONCLUDED TRANSACTION**

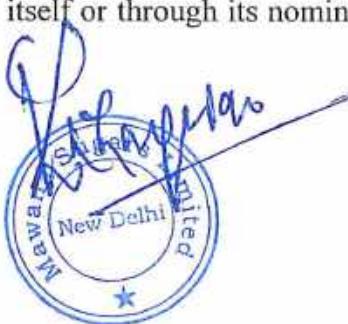
- 18.1 Where any of the Liabilities of the Transferor Company have been discharged by the Transferor Company prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Transferee Company.
- 18.2 Without prejudice to anything mentioned above or anything contained in this Scheme, transfer and vesting of business of the Transferor Company as per this Scheme shall not affect any transactions or proceedings already concluded by the Transferor Company on or before the Appointed Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds, matters and things made, done and executed by the Transferor Company as acts, deeds, matters and things made, done and executed by or on behalf of the Transferee Company.
- 18.3 All the Liabilities, incurred or undertaken by the Transferor Company prior to the Effective Date shall be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company to the extent they are outstanding on the Effective Date, shall, upon the coming into effect of this Scheme and pursuant to provisions of section 232 and any other applicable provisions of the Act, shall without any further act, instrument or deed, be and stand transferred to and/or vested in and/ or be deemed to have been transferred to and vested in the Transferee Company and shall become Liabilities of the Transferee Company.

## **PART-III**

### **CONSIDERATION FOR AMALGAMATION**

## **19. CONSIDERATION**

- 19.1 Since, the Transferor Company is a wholly owned subsidiary of the Transferee Company, accordingly, upon the Scheme becoming effective, all the equity shares as held by the Transferee Company in the Transferor Company either by itself or through its nominee shall stand cancelled and extinguished. Therefore,



there will be no issue and allotment of shares as consideration by the Transferee Company to the shareholders of the Transferor Company upon coming into effect of the Scheme. The investments in the shares of the Transferor Company, appearing in the books of account of Transferee Company shall, without any further act or deed, stand cancelled.

## PART-IV

### ACCOUNTING TREATMENT, CONDITIONALITY OF SCHEME AND OTHER MISCELLANEOUS PROVISIONS

#### 20. ACCOUNTING TREATMENT FOR AMALGAMATION

Notwithstanding anything else contained in the Scheme, the Transferee Company shall account for the Amalgamation of the Transferor Company in accordance with the Pooling of Interest Method of accounting as laid down in Appendix-C of Indian Accounting Standard ("Ind AS") 103 (Business Combinations of entities under common control) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standard) Rules, 2015, as may be amended from time to time, in its books of accounts such that:

##### 20.1. In the books of Transferee Company:

- 20.1.1. All the assets and liabilities including goodwill, if any, of the Transferor Company shall be recorded in the financial statements of the Transferee Company at the carrying value as appearing in the consolidated financial statements of the Transferee Company.
- 20.1.2. The identity of the reserves pertaining to the Transferor Company, shall be preserved and the Transferee Company shall record the reserves of the Transferor Company in the same form and at the carrying values as appearing in the consolidated financial statements of Transferee Company.
- 20.1.3. Pursuant to the Amalgamation of the Transferor Company with the Transferee Company, the inter-company balances between the Transferee Company and/or the Transferor Company, if any, appearing in the books of the Transferor Company and/or the Transferee Company shall stand cancelled and there shall be no further obligation in that behalf.
- 20.1.4. The value of investment held by the Transferee Company in the Transferor Company shall stand cancelled pursuant to Amalgamation and there shall be no further obligation in that behalf.
- 20.1.5. The surplus, if any arising after taking the effect of clause 20.1.1. to 20.1.4., shall be transferred to Capital Reserve in the financial statements of the



Transferee Company. The deficit, if any, arising after taking the effect of clause 20.1.1. to 20.1.4. and adjustment of previously existing credit balance in capital reserve, if any, shall be debited to the Retained Earnings in the financial statements of the Transferee Company to the extent of the balance available in the said account. If there is further deficit, the amount will be debited to the Amalgamation Adjustment Deficit Account, and its nature shall be akin to debit balance in the Profit and Loss Account. The balance of this account shall be presented as part of reserves and a note explaining the nature shall be given in the financial statements of the Transferee Company.

- 20.1.6. In case of any differences in accounting policy between the Transferor Company and Transferee Company, the accounting policies followed by the Transferee Company will prevail to ensure that the financial statements of Transferee Company reflect the financial position on consistent accounting policies.
- 20.1.7. Comparative financial information in the financial statements of the Transferee Company shall be restated for the accounting impact of Amalgamation, as stated above, as if the Amalgamation had occurred from the beginning of the comparative period. However, if common control came into existence after that date, the prior period information shall be restated only from the date of the common control.
- 20.1.8. For accounting purposes, the Scheme will be given effect on the date when all substantial conditions of the Amalgamation of the Transferor Company with Transferee Company are completed.
- 20.1.9. Any matter not dealt with in clause hereinabove shall be dealt with in accordance with the requirements of applicable the Indian Accounting Standards.

## **20.2. In the books of Transferor Company:**

- 20.2.1. Upon the Scheme becoming effective, the Transferor Company shall stand dissolved without being wound up and hence, there is no accounting treatment prescribed under this Scheme in the books of the Transferor Company.

## **21. DISSOLUTION OF THE TRANSFEROR COMPANY**

- 21.1. Upon the Scheme becoming effective, the Transferor Company shall, without any further act or deed, stand dissolved without winding up.



## **22. APPLICATION TO THE TRIBUNAL**

22.1. The Companies shall, with all reasonable documents/ annexures dispatch, make necessary applications/petitions under sections 230 to 232 and other applicable provisions of the Act to the Hon'ble Tribunal for seeking sanction of this Scheme.

## **23. MODIFICATION OR AMENDMENTS TO THE SCHEME**

23.1. Subject to approval by the Hon'ble Tribunal, the Board of each of the Companies may assent to any modification(s)/ amendment(s) including withdrawal/ termination of the Scheme or to any other conditions or limitations that the Hon'ble Tribunal or any Governmental and Registration Authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by their respective Boards. Each of the Companies shall authorize their respective Boards to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whether by reason of any directive or order of the Hon'ble Tribunal or any Governmental and Registration Authority of any other competent authority or otherwise howsoever arising out of or by virtue of the Scheme and/or to give effect to and to implement the Scheme, in part or in whole, and/or any matter concerned or connected therewith.

23.2. Further, it is hereby clarified that the initial consent of the shareholders and creditors (both secured and unsecured), if any, of the Companies to this Scheme shall in itself be deemed to be sufficient to authorize the operation of the abovementioned clause of this Scheme and any subsequent alteration would not require a fresh note of consent from such shareholders and creditors.

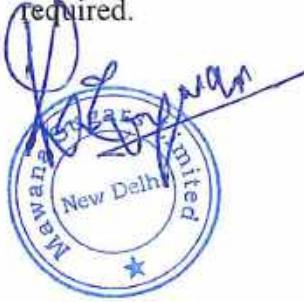
## **24. CONDITIONALITY OF THE SCHEME**

This Scheme is and shall be conditional upon and subject to:

24.1. The approval of the Scheme by the respective requisite majorities in number and value of the shareholders and/or creditors (where applicable) of the Companies in accordance with sections 230 to 232 of the Act.

24.2. The Scheme being sanctioned by the Hon'ble Tribunal in terms of sections 230 to 232 and other relevant provisions of the Act and the requisite orders of the Hon'ble Tribunal.

24.3. Any other sanction or approval of the appropriate authorities concerned, as may be considered necessary and appropriate by the respective Boards of Directors of the Transferor Company and the Transferee Company being obtained and granted in respect of any of the matters for which such sanction or approval is required.



24.4. Certified copies of the order of the Hon'ble Tribunal sanctioning this Scheme being filed with the RoC by the Transferor Company and the Transferee Company in terms of the provisions of the Act.

## **25. COMPLIANCE WITH SEBI LODR REGULATIONS AND SEBI MASTER CIRCULAR**

25.1. Since, the present Scheme solely provides for merger of a wholly owned subsidiary company i.e., Transferor Company with its holding company i.e., Transferee Company, therefore, in accordance with the provisions of Regulation 37(6) of the SEBI LODR Regulations read with SEBI Master Circular, the requirement of obtaining no-objection letter from the Stock Exchanges or SEBI does not arise and the present Scheme is only required to be filed with the Stock Exchanges for disclosures and dissemination purposes.

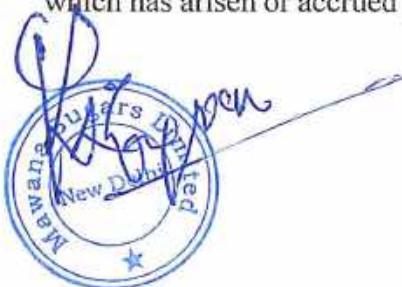
## **26. WITHDRAWAL OF THE SCHEME**

26.1 Subject to approval by Hon'ble Tribunal, the Transferor Company and the Transferee Company shall be at liberty to withdraw this Scheme at any time as may be mutually agreed upon by the Board of Directors of the Transferor Company and the Transferee Company prior to the Effective Date. In such a case, the Transferor Company and the Transferee Company shall bear their own cost or as may be mutually agreed. It is hereby clarified that notwithstanding anything to the contrary contained in this Scheme, the Transferor Company and the Transferee Company shall not be entitled to withdraw the Scheme unilaterally without the prior written consent of the other Company.

## **27. EFFECT OF NON-RECEIPT OF APPROVALS**

27.1 In the event of any of the said sanctions and approvals as referred to in clause 24 of the Scheme above, not being obtained and/or complied with and/or satisfied, this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and/ or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law.

27.2 In the event of revocation of the Scheme, no rights and liabilities whatsoever shall accrue to or be incurred inter-se to the Transferor Company and the Transferee Company or their respective shareholders or creditors or employees or any other person save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be



preserved or worked out as is specifically provided in the Scheme or in accordance with the Applicable Laws and in such case, each company shall bear its own costs unless otherwise mutually agreed.

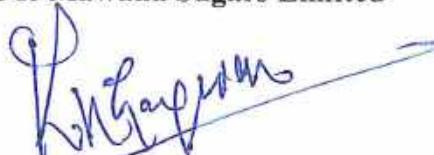
## 28. COSTS, CHARGES AND EXPENSES

28.1 All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly provided) of the Transferor Company and the Transferee Company arising out of or incurred in connection with and implementing this Scheme and matters incidental thereto shall be borne by the Transferee Company.

## 29. MISCELLANEOUS

29.1 In case any doubt or difference or issue arises between the Companies or any of their shareholders, creditors, employees or persons entitled to or claiming any right to any shares in any of the Companies, as to the construction of this Scheme or as to any account, valuation or apportionment to be taken or made in connection herewith or as to any other aspects contained in or relating to or arising out of this Scheme, the same shall be amicably settled between the Board of the respective Companies, and the decision arrived at therein shall be final and binding on all concerned parties.

For Mawana Sugars Limited



(Rakesh Kumar Gangwar)

Managing Director

DIN:09485856



For Mawana Foods Private Limited



(Ashok Kumar Shukla)

Company Secretary

ACS-29673



### Legal Consultants of the Scheme:

Vaish Associates, Advocates,  
11<sup>th</sup> Floor, Mohan Dev Building,  
13, Tolstoy Marg, New Delhi-110001



**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL**  
**COURT NO. V, NEW DELHI**  
**CA (CAA) No. - 80/(ND)/2025**

**IN THE MATTER OF SECTIONS 230-232 OF THE COMPANIES ACT, 2013**

Sections 230-232 and other applicable provisions of the Companies Act, 2013 read with Companies (Compromises, Arrangements, and Amalgamations) Rules, 2016.

**IN THE MATTER OF SCHEME OF AMALGAMATION  
OF**

**Mawana Foods Private Limited**

**Registered Office at:** 5th Floor, Kirti Mahal, 19 Rajendra Place, Central Delhi, New Delhi - 110008, India.

**..... Transferor Company/ Applicant Company No. 1  
AND**

**Mawana Sugars Limited**

**Registered Office at:** 5th Floor, Kirti Mahal, 19 Rajendra Place, Central Delhi, New Delhi - 110125, India

**..... Transferee Company/ Applicant Company No. 2**

**Order Delivered On: 18.12.2025**

**CORAM:**

**SHRI MAHENDRA KHANDELWAL  
HON'BLE MEMBER (JUDICIAL)**

**SMT. ANU JAGMOHAN SINGH  
HON'BLE MEMBER (TECHNICAL)**

**PRESENT:**

**For the Applicant** : Mr. Saheb Singh Chadha, Mr. Kaustubh Prakash, Ms. Hita Sharma, Advs.

**For the Respondent** :



## ORDER

1. This is a joint application filed by the applicant companies herein, **Mawana Foods Private Limited** (For Brevity “Transferor Company”), and **Mawana Sugars Limited** (for brevity “Transferee Company”) under Section 230-232 of Companies Act, 2013, and other applicable provisions of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 in relation to the Scheme of Arrangement in the nature of amalgamation (hereinafter referred to as the “SCHEME”) proposed between the applicants.
2. The Transferor Company/Applicant Company No. 1, **Mawana Foods Private Limited** (CIN U74899DL2006PTC144412) was incorporated under the provisions of the Companies Act, 1956, as a private limited company vide Certificate of Incorporation dated 3rd January 2006 with Registrar of Companies, NCT of Delhi & Haryana. The registered office of the company is 5th Floor, Kirti Mahal, 19 Rajendra Place, Central Delhi, New Delhi - 110008, India. The Authorized Share Capital & issued, subscribed and paid-up share capital of the Transferor Company is stated at Page no. 31 of the Application. The Transferor Company, vide their meeting of the Board of Directors held on 12th August 2025 have unanimously approved the proposed Scheme of Amalgamation as contemplated above. Copies of said resolutions passed in the said board meetings have been placed on record. It was also represented that the registered office of the Transferor Company/Applicant Company No. 1 is under the domain of Registrar of Companies, NCT of New Delhi & Haryana and therefore within the territorial jurisdiction of this Tribunal.
3. The Transferee Company, **Mawana Sugars Limited** (CIN L74100DL1961PLC0034 13) was incorporated under the provisions of the Companies Act, 1956, as a public company vide Certificate of Incorporation dated 27th March 1961 with the Registrar of Companies, NCT of Delhi & Haryana having its registered office at 5th Floor, Kirti Mahal, 19 Rajendra Place, Central Delhi, New Delhi - 110008, India. The Authorized Share Capital & issued, subscribed and paid-up share capital of the Transferee Company is stated at Page no. 33 of the Application. The Transferee Company, vide their meeting of the Board of Directors held on 2nd August 2025 have unanimously



Approved the proposed Scheme of Amalgamation as contemplated above. Copies of said resolutions passed in the said board meetings have been placed on record.. It was also represented that the registered office of the Transferee Company is under the domain of Registrar of Companies, NCT of New Delhi & Haryana and therefore within the territorial jurisdiction of this Tribunal.

4. The Transferor Company as well as the Transferee Company have filed their respective Memorandum and Articles of Association inter alia delineating their object clauses, as well as their last Audited Annual Accounts for the Financial Year 31.03.2025.
5. It has been stated that the Transferor Company has *two* Equity Shareholders. Certificate of Chartered Accountant certifying list of shareholders is annexed and both the shareholder has given their consents/No-objection by way of affidavits which are annexed to the application as Annexure-J. It was further represented that the Applicant Company No.1 has *nil* Secured Creditor and *Sixteen* Unsecured Creditors and consent/no-objection affidavit of one unsecured creditors representing 93.78% is annexed to the application. Certificate of Chartered Accountant certifying that the Transferor Company has *nil* Secured Creditor and *Sixteen* Unsecured Creditor is annexed thereto. They seek to dispense with the meeting of Shareholder in view of the consent affidavit placed by them. Since the Company has *nil* Secured Creditor, therefore the necessity of convening/holding a meeting does not arise. In relation to the *Sixteen* unsecured creditor. It seeks dispensing with holding/convening of the meeting as his consent/no-objection affidavit of one unsecured creditors representing 93.78% was placed on record.
6. It has been stated that the Transferee Company has *56,107* Equity Shareholders as on 22.08.2025. Certificate of Chartered Accountants certifying list of shareholders is annexed. It is stated by the Transferee Company that Applicant Company I is a wholly owned subsidiary of the Applicant Company-II and therefore, there will be no issuance of shares by the Applicant Company-II to the shareholders of the Applicant Company-I. They sought for convening meeting of *56,107* Equity Shareholders. It was further represented that the Applicant Company 2/Transferee Company has



Secured Creditor and 586 Unsecured Creditors. Certificate of Chartered Accountants certifying that the Applicant Company No.2 has *two Secured Creditor and 586 Unsecured Creditors* was annexed thereto. They sought for convening meeting of 586 Unsecured Creditors. In relation to the *two* Secured Creditor, one secured creditor holding 98.23% of total secured debt provided its consent to the proposed scheme of the Amalgamation. The consent affidavit of one secured creditor holding 98.23% of total debt along with reconciled list of Secured Creditors of Applicant Company-II as on 30.06.2025, duly certified by Chartered Accountant is placed on record vide affidavit dated 16.10.2025 in compliance of order dated 17.09.2025.

7. The appointed date as specified in the Scheme is 01.04.2025.
8. The Applicant Companies confirmed that the provisions relating to the accounting treatment for the proposed merger, as contained in the Scheme, were in conformity with the applicable provisions of the Companies Act, 2013. Certificates from respective Statutory Auditors of the Companies on the accounting treatment, as proposed in the Scheme, were annexed to the application and it is clearly stated that the Accounting treatment is in conformity with the applicable prescribed under Section 133 of Companies Act, 2013.
9. The Applicant Companies have stated that no proceedings for inspection, inquiry or investigation were pending against any of the Applicant Companies.
10. Taking into consideration the submissions and the documents filed therewith, the following directions are issued with respect to convening/holding or dispensing with the meetings of the Shareholders, Secured and Unsecured Creditors as well as issue of notices including by way of paper publication as follows:

**A. In relation to the Transferor Company/Applicant Company-1:**

- a) **With respect to Equity shareholders:** In view of consent affidavits from both equity shareholders, having 100% voting share, been filed, convening the meeting of shareholders/members is dispensed with.



b) **With respect to Secured Creditors:** There are nil Secured Creditor, therefore the necessity of convening a meeting does not arise.

c) **With respect to Unsecured Creditors:** In view of consent affidavit of one unsecured creditor representing 93.78%, been filed, convening the meeting of Unsecured Creditor is dispensed with.

**B. In relation to Transferee Company/Applicant Company-2:**

a) **With respect to shareholders:** In view of facts stated above, the meeting of equity shareholders of the Transferee Company, which are 56,107 in number is directed to be held at the venue, date, time and mode as decided by the Chairperson in consultation with the counsel for Applicant Companies.

b) **With respect to Secured Creditors:** In view of consent affidavit of one secured creditor representing 98.23%, been filed, convening the meeting of Secured Creditor is dispensed with.

c) **With respect to Unsecured Creditors:** In view of facts stated above, the meeting of Unsecured Creditors of the Transferee Company, which are 586 in number is directed to be held at the venue, date, time and mode as decided by the Chairperson in consultation with the counsel for Applicant Companies.

**11.** In respect of the meeting of the Equity Shareholders and Unsecured Creditors of the Transferee Company, it is hereby directed as under:

12.1 At least 30 (Thirty) days before, the notice convening the said meeting at the day, date and time as fixed, together with a copy of the Scheme, a copy of the Explanatory Statement required to be sent under Section 230(3) of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, shall be sent to the respective Equity Shareholders and Unsecured Creditors of the Transferee Company, by electronic mail to their registered e-mail address, as per the records available with the Transferee Company.

12.2 At least 30 (Thirty) days before the meeting of Equity Shareholders and Unsecured Creditors of the Transferee Company, notice convening the said meeting, at the date and time fixed in accordance with paras stated



above be published each in Business Standard" (English, Delhi Edition) and in "Business Standard" (Hindi, Delhi Edition), stating that copies of the Scheme and the said statement required to be furnished pursuant to Section 230(3) of the Companies Act, 2013 can be obtained free of charge from the registered office of the Transferee Company

12.3 The Transferee Company undertakes to:

- i. Issue respective notices convening meeting of its Equity Shareholders and Unsecured Creditors as per Form No CAA.2 (Rule 6) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016;
- ii. Issue statement containing all the particulars as per Section 230 of the Companies Act, 2013;
- iii. Advertise the notice convening the meeting as per Form No. CAA.2 (Rule 7) of the Companies (Compromises, Arrangements, and Amalgamations) Rules, 2016;
- iv. Publish the notice convening the meeting of Equity Shareholders and Unsecured Creditors on its website, along with a copy of the proposed scheme.

12.4 Adv. Aditya Dewan, Mobile: 8527611077, Email Id [adityadewan@gmail.com](mailto:adityadewan@gmail.com), is hereby appointed as the Chairperson for the meeting of the Equity Shareholders and Unsecured Creditors of the Transferee Company.

12.5 Adv. Sameer Ali, Email Id [Sameer.ali406@gmail.com](mailto:Sameer.ali406@gmail.com), is hereby appointed as the Scrutinizer for the meeting of the Equity Shareholders and Unsecured Creditors of the Transferee Company.

12.6 The Fees of the Chairperson for the aforesaid meeting shall be Rs. 1,50,000 and the Fees of the Scrutinizer shall be Rs. 50,000 in addition to meeting their incidental expenses.

12.7 The voting by the authorised representative, in case of a body corporate be permitted, provided that the authorisation duly signed is filed with the Transferee Company in physical mode at its registered office or



electronic mode at the designated email addresses, at least 48 (Forty-Eight) hours before the aforesaid meeting, as required under Rule 10 of the Companies (Compromises, Arrangements and Amalgamation) Rules, 2016.

- 12.8 The Chairperson appointed for the aforesaid meeting to issue notices of the meeting referred above. The Chairperson shall have all powers under the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, as may be applicable for meeting of the Equity Shareholders and Unsecured Creditors of the Transferee Company, in relation to the conduct of the meeting including for deciding procedural questions that may arise at the meeting or at any adjournment thereof or any other matter including, any amendment to the Scheme or resolution, if any, proposed at the said meeting.
- 12.9 The quorum for the meeting of the Equity Shareholders and Unsecured Creditors of the Transferee Company shall be as prescribed under Section 103(1) of the Companies Act, 2013.
- 12.10 In case the respective quorum as noted above for the meeting is not present at the commencement of the respective meeting, the respective meeting shall be adjourned by 30 minutes and thereafter the persons present and voting at the respective meeting shall be deemed to constitute the quorum.
- 12.11 The value and number of the Equity Shareholders and Unsecured Creditors of the Transferee Company shall be in accordance with the books/ records maintained by the Transferee Company or depository records, and where the entries in the books/ records are disputed, the Chairperson of the meeting shall determine the value and number for the purpose of the aforesaid meeting and his decision in that behalf would be final.
- 12.12 The Chairperson shall file an affidavit not less than 7 (Seven) days before the date fixed for holding the meeting of the Equity Shareholders and Unsecured Creditors of the Transferee Company and report to this



Tribunal that the directions regarding the issue of notices and advertisements have been duly complied with, as per Rule 12 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

12.13 The Chairperson shall report to this Tribunal in Form No. CAA 4, the result of the aforesaid meeting within 7 (Seven) days of the conclusion of the said meeting and the report shall be verified by his undertaking as per Rule 14 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

**12. Notice of this application shall be served on the following:**

- i. Regional Director, Ministry of Corporate Affairs, B-2 Wing, 2 Floor, Paryawaran Bhavan, CGO Complex, New Delhi-110003;
- ii. Registrar of Companies at 4<sup>th</sup> floor, IFCI Tower, 61, Nehru Place, New Delhi-110019;
- iii. The Official Liquidator attached to Delhi High Court;
- iv. Income Tax Department, Income Tax Office, Additional Commissioner of Income Tax, Special Range 4, Central Revenue Building, IP Estate, New Delhi-110002. The notices to Income Tax Authorities shall disclose sufficient details like PAN, ward numbers and assessing officers so that timely and proper reply may be filed.
- v. Securities and Exchange Board of India
- vi. BSE Limited
- vii. National Stock Exchange of India Limited
- viii. Any other sectoral regulators required to be served.

The application stands allowed on the aforesaid term and disposed of.

**Sd/-**  
**(ANU JAGMOHAN SINGH)**  
**MEMBER (TECHNICAL)**

**Sd/-**  
**(MAHENDRA KHANDELWAL)**  
**MEMBER (JUDICIAL)**



Extract from Minutes of Board of Directors Meeting

Date of Meeting:	2.8.2025	Resolution No. 20
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Item No. 20

Approval of Scheme of Amalgamation of Mawana Foods Private Limited (MFPL) with and into the Company ('Scheme of Amalgamation')

"RESOLVED THAT pursuant to the provisions of sections 230 & 232 and other applicable provisions, if any, of the Companies Act, 2013 ("Companies Act") read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (including any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force), the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("SEBI Listing Regulations") and applicable Circular(s) issued by the Securities and Exchange Board of India ("SEBI") from time to time, relevant provisions of Memorandum and Articles of Association of the Company and other applicable rules, regulations, bye-laws, as the case may be, and subject to requisite approvals of the members and/or creditors of the Company and such other approvals, sanctions and permissions of the jurisdictional National Company Law Tribunal (hereinafter collectively referred as "Tribunal") and any other relevant authority or regulatory authority, body, institution (hereinafter collectively referred as "Concerned Authority") of competent jurisdiction under applicable laws for the time being in force, and in terms of the recommendations of the audit committee, consent of board of directors (hereinafter referred to as "Board") of the Company be and is hereby accorded for approval of the draft scheme of amalgamation ("Scheme") between Mawana Foods Private Limited (Transferor Company) and Mawana Sugars Limited (Transferee Company) and their respective shareholders and creditors, on a going concern basis, with effect from the Appointed Date (as defined in the Scheme), as placed before the board of directors.

**MAWANA SUGARS LIMITED**

CIN : L74100DL1961PLC003413

Corporate Office:

Plot No. 03, Institutional Area  
Sector-32, Gurugram-122 001 (India)  
T 91-124-4447856

Registered Office:

5th Floor, Kirti Mahal, 19, Rajendra Place  
New Delhi-110125 (India)  
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[www.mawanasugars.com](http://www.mawanasugars.com)





Extract from Minutes of Board of Directors Meeting

Date of Meeting:

2.8.2025

Resolution No. 20

RESOLVED FURTHER THAT since the Transferor Company is a wholly owned subsidiary of the Company, accordingly, upon the Scheme becoming effective, all the equity shares as held by the Company in the Transferor Company either by itself or through its nominee shall stand cancelled and extinguished and no shares will be issued by the Company as a consideration for the Scheme to the shareholders of the Transferor Company.

RESOLVED ALSO THAT in terms of the provisions of section 232(2)(c) of Companies Act, the draft report explaining the effect of the Scheme on each class of shareholders, key managerial personnel, directors, promoters and non-promoter shareholders and other stakeholders of the Company, be and is hereby noted, adopted and approved and the same be signed on behalf of the Board by any one of the directors of the Company.

RESOLVED ALSO THAT the accounting treatment certificate being issued by S.R. Batliboi & Co. LLP, Chartered Accountants, Firm Registration No. 301003E/E300005, statutory auditor of the Company, confirming the accounting treatment stated in the Scheme, as placed before the Board, be and is hereby noted, adopted and approved.

RESOLVED ALSO THAT Mr. Rakesh Kumar Gangwar, Managing Director, Mr. Vikash CFO, and Mr. Ashok Kumar Shukla, Company Secretary, be and are hereby jointly and/or severally authorized to make such alteration(s) and change(s) in the Scheme as may be expedient or necessary to effectively implement the Scheme, as they deem fit or which may be expedient or necessary for satisfying the requirement or condition imposed by the Hon'ble Tribunal and/or Concerned Authority and/or creditors and/or members of Company.



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**Extract from Minutes of Board of Directors Meeting**

Date of Meeting:

2.8.2025

Resolution No. 20

RESOLVED ALSO THAT Mr. Rakesh Kumar Gangwar, Managing Director, Mr. Vikash CFO, and Mr. Ashok Kumar Shukla, Company Secretary, be and are hereby jointly and/or severally authorized:

- a) to file a copy of the Scheme along with requisite annexures thereto with the stock exchanges in terms of the provisions of Regulation 37(6) of the SEBI Listing Regulations.
- b) to make, prepare, sign and file applications, petitions, affidavits and such other documents as may be necessary with the Hon'ble Tribunal.
- c) to obtain waiver/directions for convening and holding the meetings of the members and/or creditors, as the case may be, of the Company and to sign and issue public advertisements and notices in connection with the Scheme.
- d) to make any amendment(s), alteration(s) and modification(s) in the said Scheme as may be suggested by members and/or creditors, as the case may be, of respective companies and/or by Hon'ble Tribunal and/or Concerned Authority.
- e) to engage, hire, appoint and remove one or more counsel/advocate/pleader to represent and act on behalf of the Company in the proceedings before Hon'ble Tribunal, Concerned Authority and/or any other authority in any matter related to the Scheme.
- f) to engage professionals including but not limited to Advocates, Company Secretaries, Chartered Accountants, advisors, consultants and if considered necessary, also engage services of Counsel(s), declare and file all pleadings, reports and sign and issue public

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**Extract from Minutes of Board of Directors Meeting**

Date of Meeting: 2.8.2025

Resolution No. 20

advertisements, notices and to do all acts as may be incidental and necessary thereto.

- g) filing the Scheme and/or any other information/ details with the regulatory/statutory authorities or agencies including responding to their queries, if any.
- h) to represent the Company in general before the Hon'ble Tribunal or such other competent authority(ies) or any such meetings convened by the Hon'ble Tribunal or such other competent authority in relation to any matter pertaining to the aforesaid Scheme.
- i) obtaining approval/consent from such other authorities and/or parties including the shareholders and creditors, as may be considered necessary to the said Scheme.
- j) to settle any question/issue or difficulty that may arise with regard to implementation of the Scheme, and to give effect to this resolution.
- k) in accordance with the relevant clause(s) of the Scheme, to withdraw the Scheme at any stage in case the changes or modifications required in the Scheme or the conditions imposed by any shareholder, creditor, the Hon'ble Tribunal and/or the Concerned Authority, are not acceptable, and if the Scheme cannot be implemented otherwise, and to do all such acts, deeds and things as they may think necessary and desirable in connection therewith and incidental thereto;



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**Extract from Minutes of Board of Directors Meeting**

Date of Meeting:

2.8.2025

Resolution No. 20

- l) to affix common seal, if any, of the Company, in accordance with Articles of Association of the Company, on such documents and papers as may be necessary in this regard.
- m) to do such things and to take such steps as may be necessary for getting the Scheme approved by members and creditors, if any, of the Company and sanctioned by Hon'ble Tribunal and/or Concerned Authority.
- n) to do all such things and to take all such steps as may be necessary for the purpose of ensuring compliance with the directions that may be given by Hon'ble Tribunal and/or Concerned Authority.
- o) to delegate all or any of the aforesaid powers to any other person by way of a valid power of attorney.
- p) pay/authorize payments of stamp duties, taxes, charges, fees and such other payments as may be necessary in relation to the Scheme.

RESOLVED ALSO THAT the Company, being a holding company of the Transferor Company, consent of the Board be and is hereby also accorded for seeking dispensation with the requirement of convening and holding the meeting of the equity shareholders of the Transferor Company, in terms of the provisions of sections 230 to 232 and other applicable provisions, if any, of the Companies Act and in this respect, Mr. Rakesh Kumar Gangwar, Managing Director, Mr. Vikash, CFO and Mr. Ashok Kumar Shukla, Company Secretary and be and are hereby jointly and/or severally authorized, for and on behalf of the Company, to sign and give consent, in any manner, as equity shareholder of the Transferor Company.



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Extract from Minutes of Board of Directors Meeting

Date of Meeting:

2.8.2025

Resolution No. 20

RESOLVED ALSO THAT all acts, deeds, matters and things done by the authorized signatories/ representatives for the aforementioned purpose shall have the same effect as if done by the board of directors and the board of directors hereby ratifies/ agrees to ratify any acts, deeds and things done/caused to be done by any authorized signatory (ies) pursuant to the foregoing resolution.

RESOLVED ALSO THAT a certified copy of this resolution be issued under the signature of Company Secretary of the Company to the concerned appropriate authorities or entities as and when required.

Certified to be True Copy  
For Mawana Sugars Limited

(Ashok Kumar Shukla)  
Company Secretary  
ACS-29673



**MAWANA SUGARS LIMITED**

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# 61<sup>st</sup> ANNUAL REPORT 2024-25

# Mawana Sugars Limited

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## BOARD OF DIRECTORS

Mr. Krishna Shriram	- Non-Executive Chairman
Ms. Anuradha Dutt	- Non-Executive Independent Director
Mr. Arun Kumar Kaul	- Non-Executive Independent Director
Mr. Satish Agrawal	- Non-Executive Independent Director
Mr. Mukesh Chauhan	- Non-Executive Non-Independent Director
Mr. Rakesh Kumar Gangwar	- Managing Director

## COMPANY SECRETARY

Mr. Ashok Kumar Shukla

## CHIEF FINANCIAL OFFICER

Mr. Vikash

## STATUTORY AUDITORS

M/s. S.R. Batliboi & Co. LLP  
Chartered Accountants  
(ICAI Firm Registration No:301003E/E300005)  
67, Institutional Area, Sector 44  
Gurugram - 122 003, Haryana

## BANKERS

U.P. Co-operative Bank Ltd.  
HDFC Bank Ltd.  
Punjab National Bank  
State Bank of India  
Indian Overseas Bank  
ICICI Bank Ltd.

## REGISTERED OFFICE

5th Floor, Kirti Mahal  
19, Rajendra Place  
New Delhi - 110125  
Phone No: 91-11-25739103  
Fax No: 91-11-25743659  
CIN: L74100DL1961PLC003413  
E-mail: [corporate@mawanasugars.com](mailto:corporate@mawanasugars.com)  
Website: [www.mawanasugars.com](http://www.mawanasugars.com)

## CORPORATE OFFICE

Plot No.3, Institutional Area  
Sector - 32, Gurugram - 122001, Haryana  
Phone No:91-124-4298000

## WORKS

- Mawana Sugar Works,  
Mawana Distt. Meerut - 250402(U.P.)
- Nanglamal Sugar Complex,  
Garh Road, Village Nanglamal  
Distt. Meerut - 250001(U.P.)

## REGISTRAR & SHARE TRANSFER AGENT

Mas Services Limited  
T-34, Okhla Industrial Area, Phase-II, New Delhi - 110020  
Phone No.:011-26387281-83, Fax: 011-26387384  
Website:[www.masserv.com](http://www.masserv.com), E-mail : [investor@masserv.com](mailto:investor@masserv.com)

## Mawana Sugars Limited

(CIN: L74100DL1961PLC003413)

**Registered Office:** 5th Floor, Kirti Mahal, 19, Rajendra Place, New Delhi - 110125

**Phone No.:** 011-25739103, **Fax No.:** 011-25743659

**E-mail:** corporate@mawanasugars.com, **Website:** www.mawanasugars.com

### NOTICE

NOTICE is hereby given that 61<sup>st</sup> Annual General Meeting of the shareholders of Mawana Sugars Limited (the "Company" / "MSL") will be held on Saturday, June 28, 2025 at 11:00 A.M. through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") to transact the following business:

#### ORDINARY BUSINESS:

##### 1. To consider and adopt:

- (a) the audited standalone financial statements of the Company for the financial year ended March 31, 2025 and the reports of the Board of Directors and Auditors thereon; and
- (b) the audited consolidated financial statements of the Company for the financial year ended March 31, 2025 and the report of Auditors thereon.

2. To declare a final dividend of Rs.1/- per equity share of face value of Rs.10/- each and to note the payment of interim dividend of Rs.3.00 per equity share of face value of Rs.10/- each already paid during the financial year 2024-25.

##### 3. Appointment of Director liable to retire by rotation:

To appoint a Director in place of Mr. Krishna Shriram (DIN-00031783) who retires by rotation and being eligible, offers himself for reappointment.

#### SPECIAL BUSINESS:

##### 4. Cost Auditors – Ratification of Remuneration:

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

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and any other applicable law, the remuneration of Rs. 2,00,000/- (Rupees Two Lacs only) plus GST & out-of-pocket expenses, if any, payable to M/s Bahadur Murao & Co., Cost Accountants (Firm Registration No.08), the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost accounting records of the Company for the financial year 2025-26, be and is hereby ratified and confirmed.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

##### 5. Appointment of Secretarial Auditors

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

"RESOLVED THAT pursuant to the provisions of Section 204 and all other applicable provisions, if any, of the Companies Act, 2013 (the 'Act') read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 (including any statutory modification or re-enactment thereof for the time being in force) and Regulation 24A of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations'), as amended from time to time, M/s. Nirbhay Kumar & Associates (Peer Review Certificate No.2441/2022), Practicing Company Secretaries, be and are hereby appointed as the Secretarial Auditor of the Company for a term of five consecutive years commencing from financial year 2025-26 to financial year 2029-30, on such remuneration as may be decided by the Board of Directors.

RESOLVED FURTHER THAT the Managing Director, and the Company Secretary of the Company, be and are hereby severally authorized to take such steps and do all such acts, deeds, matters and things as may be considered necessary, proper and expedient to give effect to this Resolution."

##### 6. To approve payment of remuneration to Mr. Rakesh Kumar Gangwar (DIN-09485856), Managing Director of the Company for a period 1 (One) Year w.e.f. August 13, 2025 to August 12, 2026

To consider and if thought fit, to pass with or without modification(s), the following resolution as a SPECIAL RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Sections 196 and 197 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 (the 'Act') read with Rules made thereunder (including any statutory amendment(s), modification(s) and/ or re-enactment(s) thereof for the time being in force), the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, consent of the members of the Company be and is hereby accorded to pay a total remuneration (CTC) of Rs.2,27,77,734/- (Rupees Two Crore Twenty Seven Lacs Seventy Seven Thousand Seven Hundred Thirty Four only) plus Rs.10,00,000/- (Rupees Ten Lacs only) towards variable pay to Mr. Rakesh Kumar Gangwar, Managing Director of the Company, for the period commencing from August 13, 2025 to August 12, 2026. Leave facility and retirement benefits will be as per rules of the Company.

# Mawana Sugars Limited

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## NOTICE (Contd.)

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution.

By Order of the Board of Directors  
For Mawana Sugars Limited

(Ashok Kumar Shukla)  
Company Secretary  
ACS-29673

Place : Gurugram  
Dated : May 24, 2025

### Notes:

1. Pursuant to General Circular Nos. 14/2020, 17/2020, 20/2020, 02/2021, 19/2021, 21/2021, 02/2022, 10/2022, 09/2023 and 9/2024 dated April 8, 2020, April 13, 2020, May 5, 2020, January 13, 2021, December 08, 2021, December 14, 2021, May 05, 2022 and December 28, 2022, September 25, 2023 and September 19, 2024 respectively issued by the Ministry of Corporate Affairs ('MCA') (collectively referred to as 'MCA Circulars') and Circular Nos. SEBI/HO/ CFD/ CMD1/ CIR/P/2020/79, SEBI/HO/ CFD/CMD2/CIR/P/2021/11, and SEBI/HODDHS/P/ CIR/2022/0063 and SEBI/HO/CFD/PoD-2/P/CIR/2023/4 and SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated May 12, 2020, January 15, 2021, May 13, 2022 and January 5, 2023, October 7, 2023 and October 3, 2024 respectively issued by the Securities and Exchange Board of India (collectively referred to as 'SEBI Circulars'), holding of the Annual General Meeting ('AGM') through VC/OAVM, without the physical presence of the Members, is permitted. In compliance with the provisions of the Companies Act, 2013 ('the Act'), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('the Listing Regulations'), MCA Circulars and SEBI Circulars, the AGM of the Company is being held through VC/ OAVM which does not require physical presence of members at a common venue.
2. Details in respect of the Director who retire by rotation at the AGM and has offered himself for reappointment is enclosed as **Annexure-A** to this notice.
3. Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. In terms of MCA Circulars, since physical attendance of Members has been dispensed with, there is no requirement of appointment of proxies. Accordingly, the facility for appointment of proxies by the Members under Section 105 of the Act, will not be available for the AGM and, hence, the Proxy Form and Attendance Slip are not annexed to this Notice. The Board of Directors has appointed M/s Nirbhay Kumar & Associates (Peer Review Certificate No. 2441/2022), Practicing Company Secretaries, as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
4. Corporate/Institutional members (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy of its Board or governing body resolution/authorization etc., authorizing its representative to attend AGM through VC/OAVM on its behalf and to vote through remote e-voting. The said Resolution/ Authorization be sent to the Scrutinizer by email through its registered email address to [nirbhaykumar77@gmail.com](mailto:nirbhaykumar77@gmail.com) with a copy marked to [evoting@nsdl.com](mailto:evoting@nsdl.com)
5. Members can login and join the AGM 30 minutes prior to the scheduled time to start the AGM and the window for joining shall be kept open till the expiry of 15 minutes after the scheduled time to start the AGM. The facility of participation at the AGM through VC/ OAVM will be made available for 1000 members, on first-come-first-served basis. However, the participation of large members (members holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, the Chairman of the Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee and Auditors can attend the AGM without restriction of first-come-first-served basis. Instructions and other information for members for attending the AGM through VC/OAVM are given in this Notice.
6. Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as voting on the date of the AGM will be provided by NSDL.
7. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number & number of shares at [investor@masserv.com](mailto:investor@masserv.com) / [corporate@mawanasugars.com](mailto:corporate@mawanasugars.com) before June 24, 2025 (5:00 p.m. IST). Subject line for such registration should be 'Speaker Registration of Mawana Sugars Limited'. Those Members who register themselves as speaker will only be allowed to express their views/ask

## NOTICE (Contd.)

questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

8. The Board recommended Dividend, if approved at the AGM, shall be, subject to deduction of tax at source, paid on or before July 27, 2025 as under:

- (i) To all Beneficial Owners in respect of shares held in dematerialized form as per the data as may be made available with the National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL"), collectively "Depositories", as of the close of business hours on June 21, 2025.
- (ii) To Members, who hold shares in physical form, after giving effect to valid transmission or transposition requests lodged with the Company as of the close of business hours on June 21, 2025.

The Dividend, if approved, will be payable by July 27, 2025.

9. No request for physical transfer of shares shall be processed in terms of the SEBI LODR (Listing Obligations and Disclosure Requirements) (4th amendment) Regulations, 2018 notified on June 07, 2018 and further notification dated November 30, 2018.

Further, the following requests received by the Company in physical form will be processed and the shares will be issued in dematerialization form only: -

- i) Issue of duplicate share certificate
- ii) Claim of shares from unclaimed suspense account
- iii) Renewal/Exchange of securities certificate
- iv) Endorsement
- v) Sub-division/splitting of securities certificate
- vi) Consolidation of securities certificates/folios
- vii) Transmission
- viii) Transposition

For this purpose, the securities holder/claimant shall submit a duly filled up Form ISR-4 which is hosted on the website of the company as well as on the website of MAS Services Ltd, Registrar and share transfer agent (RTA) The aforementioned form shall be furnished in hard copy form.

To eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company Secretary or Mas Services Limited, Company's Registrar and Share Transfer Agents ("RTA") (Tel. No. 011-26387281/82/83, 41320335) for assistance in this regard.

**Members holding shares in physical form are requested to dematerialize their holdings at the earliest.**

10. The Securities and Exchange Board of India ('SEBI') vide its circular dated November 03, 2021 read with circular dated December 14, 2021, March 16, 2023 and November 17, 2023 has made it mandatory for the shareholders holding securities in physical form to furnish PAN, KYC (complete address with pin-code, bank detail with MICR-CODE & IFS CODE, Email-ID, Mobile Number). Shareholder are also requested to submit Nomination details to the Registrar and Share Transfer Agent ('RTA') of the Company. RTA will not process, any service requests or complaints received from the member until unless PAN-KYC and bank detail is completed by shareholder.

As per above SEBI circular that the security holders (holding securities in physical form), whose folio(s) do not have PAN or Email-id or Mobile Number or Bank Account Details or Specimen Signature updated, shall be eligible for any payment including dividend, interest or redemption in respect of such folios, only through electronic mode with effect from April 01, 2024.

- i. PAN; (using ISR-1)
- ii. Nomination in Form No.SH-13 or submit declaration to 'Opt-out' in Form ISR-3;
- iii. Contact details including Postal address with PIN code, Mobile Number, E-mail address; (using ISR-1)
- iv. Bank Account details including Bank name and branch, Bank account number, IFS code; (using ISR-1)
- v. Specimen signature. (using ISR-2)

Any cancellation or change in nomination shall be provided in Form No.SH-14.

All of above required documents/details to be sent at the address of office of the RTA. All forms ISR1, ISR2, ISR3, ISR4, SH13 and SH14 are available at the RTA website i.e [www.masserv.com](http://www.masserv.com), shareholders can download the forms mentioned in SEBI circular from the website of the Company or RTA.

- 11. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, etc., to their DPs if the shares are held by them in electronic form and to the Company/ RTA if the shares are held by them in physical form.
- 12. In case a person has become a member of the Company after dispatch of the AGM Notice, but on or before the cut-off date for e-voting i.e. June 21, 2025 such person may generate User ID and Password as explained in e-voting instructions.
- 13. In terms of Section 72 of the Companies Act, 2013 and the applicable provisions, the shareholders of the Company may nominate a person in whose name the shares held by him/them shall vest in the event of his/ their death. Shareholders desirous of availing this facility may submit the requisite nomination form.
- 14. In terms of SEBI Circular dated December 09, 2020, the depository shall send SMS/email alerts regarding the details of the upcoming AGM to the demat holders atleast 2 days prior to the date of commencement of e-voting. Hence members are requested to update the mobile no./ email ID with their respective depository participants.

## NOTICE (Contd.)

SEBI has made it mandatory for all Companies to use the bank account details furnished by the Depositories and the bank account details maintained by the RTA for payment of dividend to Members electronically. The Company has extended the facility of electronic credit of dividend directly to the respective bank accounts of the Member(s) through National Automated Clearing House (NACH) Real Time Gross Settlement (RTGS) NEFT etc.

15. This will facilitate the remittance of the dividend amount as directed by SEBI in the bank account electronically. Updation of e-mail IDs and Mobile No(s) will enable the Company in sending communication relating to credit of dividend, un-encashed dividend, etc.

The Company or RTA cannot act on any request received directly from the Members holding shares in demat form for any change of bank particulars. Such changes are to be intimated only to the DPs of the Members.

16. The Statutory Register maintained under Section 189 of the Companies Act, 2013 and Section 170 of the Companies Act, 2013, and all documents referred to in the Notice of AGM and accompanying explanatory statements will be available for inspection by members in electronic mode. Members can inspect the same by sending an email to [corporate@mawanasugars.com](mailto:corporate@mawanasugars.com).

17. Instructions for e-voting and joining the AGM are as follows:

In terms of the provisions of section 108 of the Act, read with rule 20 of the Companies (Management and Administration) Rules, 2014, as amended (hereinafter called 'the Rules' for the purpose of this section of the Notice) and regulation 44 of the SEBI Listing Regulations, the Company is providing facility of remote e-voting to exercise votes on the items of business given in the Notice of 61<sup>st</sup> Annual General Meeting (AGM) through

electronic voting system, to members holding shares as on June 21, 2025 (end of day), being the cut-off date fixed for determining voting rights of members, entitled to participate in the remote e-voting process, through the e-voting platform provided by NSDL or to vote at the e-AGM.

**THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER: -**

**The remote e-voting period begins on June 25, 2025 at 9:00 A.M. and ends on June 27, 2025 at 5:00 P.M.** The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. June 21, 2025, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being June 21, 2025.

### **How do I vote electronically using NSDL e-Voting system?**

*The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:*

#### **Step 1: Access to NSDL e-Voting system**

A) **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"><li>For OTP based login you can click on <a href="https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp">https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp</a>. You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li><li>Existing IDeAS user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li></ol>

## NOTICE (Contd.)

Type of shareholders	Login Method
	<p>3. If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “Register Online for IDeAS Portal” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>4. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/ Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>5. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p> <div style="text-align: center;"> <p>NSDL Mobile App is available on</p>      </div>
Individual Shareholders holding securities in demat mode with CDSL	<p>1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website <a href="http://www.cDSLindia.com">www.cDSLindia.com</a> and click on login icon &amp; New System Myeasi Tab and then user your existing myeasi username &amp; password.</p> <p>2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly.</p> <p>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cDSLindia.com">www.cDSLindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</p> <p>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cDSLindia.com">www.cDSLindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

**B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.  
*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - c) How to retrieve your 'initial password'?
    - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - a) Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](https://www.evoting.nsdl.com/).
  - b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](https://www.evoting.nsdl.com/).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.com](mailto:evoting@nsdl.com) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

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### Step 2: Cast your vote electronically and join the General Meeting on NSDL e-Voting system.

#### How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

#### General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [nirbhaykumar77@gmail.com](mailto:nirbhaykumar77@gmail.com) with a copy marked to [evoting@nsdl.com](mailto:evoting@nsdl.com). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on.: 022 - 4886 7000 or send a request to (Pallavi Mahatre) at [evoting@nsdl.com](mailto:evoting@nsdl.com)

#### Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical form, please refer Note no. 11 of the notes of the notice.
2. In case shares are held in demat mode, please refer to e-voting instructions.
3. Alternatively shareholder/members may send a request to [evoting@nsdl.com](mailto:evoting@nsdl.com) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

#### THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER: -

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

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### INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join General meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/ Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e- Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further, Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name, demat account number/folio number, email id, mobile number at [corporate@mawanasugars.com](mailto:corporate@mawanasugars.com). The same will be replied by the company suitably.

### General Instructions:

- i. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM.
- ii. M/s Nirbhay Kumar & Associates (Peer Review Certificate No. 2441/2022), Practicing Company Secretaries, has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- iii. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutineer, for all those members who are present VC / OAVM at the AGM but have not cast their votes by availing the remote e-voting facility.
- iv. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than two days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Managing Director or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- v. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company [www.mawanasugars.com](http://www.mawanasugars.com) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing and communicated to the stock exchanges.

### EXPLANATORY STATEMENT

As required under Section 102 of the Companies Act, 2013 ("Act"), the following explanatory statement sets out all material facts relating to business mentioned under Item No. 4 to 6 of the accompanying Notice:

#### ITEM NO. 4

The Board, on the recommendation of the Audit Committee, approved the re-appointment of M/s. Bahadur Murao & Co., Cost Accountants (Firm Registration No.08), Delhi as Cost Auditor to conduct audit of the cost records of the Company for the financial year 2025-26 at the remuneration as provided in the resolution.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor has to be ratified by the shareholders of the Company.

The Board of Directors recommend the Ordinary Resolution set out in item No. 4 of the Notice for approval of the shareholders.

None of the Directors or Key Managerial Personnel or their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution.

#### ITEM NO. 5

The Board of Directors, at its meeting held on May 24, 2025, on the recommendation of the Audit Committee, has approved the appointment of M/s. Nirbhay Kumar & Associates (Peer Review Certificate No. 2441/2022), Practicing Company Secretaries, as

## NOTICE (Contd.)

Secretarial Auditors, to conduct a secretarial audit of the Company pursuant to the Companies Act, 2013 (the "Act") read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 and Regulation 24A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), for a term of five consecutive years starting from the financial year 2025-2026 to financial year 2029-2030, at a remuneration or Rs.1,00,000/- (Rupees One Lakh) per annum payable for the financial year 2025-2026 and as may be mutually agreed between the Board of Directors of the Company and the Secretarial Auditor for the remaining term.

M/s. Nirbhay Kumar & Associates (Peer Review Certificate No. 2441/2022), Practicing Company Secretaries, was established in the year 2007 on the entrepreneurial spirit, experience and expertise of its founders who have wide array of quality services to its clients in the field of corporate, commercial & tax laws including corporate litigation & arbitration for a decade.

M/s. Nirbhay Kumar & Associates comprises Company Secretaries & MBAs, attorneys/lawyers and in-house consultants including fully dedicated to corporate and commercial law practice. Our in-house team with different but related expertise ensures that complete advice is given to our clients under one roof in all corporate transactions & matters.

M/s. Nirbhay Kumar & Associates, Practicing Company Secretaries, have confirmed that they are eligible for appointments as Secretarial Auditor of the Company.

The Board recommends the passing of the Resolution as set out in Item No. 5 as an Ordinary Resolution.

None of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested in passing of the resolution mentioned in Item No. 5 of the Notice.

### ITEM NO. 6

Mr. Rakesh Kumar Gangwar was appointed by the Board and Shareholders as the Managing Director (MD) of the Company for a period of 5 (Five) years effective 13.08.2024 and payment of remuneration to MD was approved for a period of 1 (One) year w.e.f. August 13, 2024 to August 12, 2025.

In view of the satisfactory management of the affairs of the Company and the services rendered by Mr. Rakesh Kumar Gangwar as the Managing Director, the Nomination and Remuneration Committee and the Board of Directors of the Company, in their respective meetings held on May 24, 2025 have, subject to the approval of the shareholders, fixed and approved the remuneration of Mr. Rakesh Kumar Gangwar as Managing Director of the Company for a period of one (1) year w.e.f. August 13, 2025 to August 12, 2026 as detailed in Item No. 6 of the Notice of the Annual General Meeting.

Your Directors seek the approval of the shareholders to the proposed remuneration to the Managing Director and recommend the passing of Resolution as set out in Item No.6 of the Notice.

Except Mr. Rakesh Kumar Gangwar and his relatives to the extent of their shareholding interest, if any, in the Company, none of the other Directors, Key Managerial Personnel of the Company and their relatives are in anyway concerned or interested financially or otherwise in the Resolution.

The information required to be disclosed in the explanatory statement to the Notice as per item (iv) to third proviso of Section II of Part II of Schedule V of the Companies Act, 2013 is detailed below:

#### I. GENERAL INFORMATION:

##### (1). Nature of Industry:

The Company is engaged in the manufacturing and marketing of Sugar, Ethanol and Cogeneration of Power at its units at Mawana Sugar Works, Mawana, Distt. Meerut, (U.P.) and Nanglamal Sugar Complex, Nanglamal, Distt. Meerut (U.P.).

##### (2). Date or expected date of commencement of commercial production:

The Company is an existing Company and is into manufacturing operation since long.

##### (3). In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.

Not applicable.

##### (4). Financial performance based on given indicators

Figure of Total Revenue, net Profit/(Loss) and Effective Capital recorded during the last three financial years/periods (on basis of Audited Balance Sheet of the Company) are as follows:

# Mawana Sugars Limited

## NOTICE (Contd.)

				Amount (Rs. Crore)
Particulars	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023	
Total Revenue	1455.02	1384.39	1485.56	
Net Profit/(Loss)	71.40	42.59	17.24	

				Amount (Rs. Crore)
Particulars	As on March 31, 2025	As on March 31, 2024	As on March 31, 2023	
Effective Capital	488.41	363.05	340.94	

(5). Foreign investments or collaborators, if any (as on March 31, 2025): None

## II. INFORMATION ABOUT THE APPOINTEES:

### (i). Background Details:

Mr. Rakesh Kumar Gangwar, aged 55 years, is a Honours Graduate in Agriculture & Animal Husbandry with specialization in Agronomy from G.B. Pant University of Agriculture and Technology, Pant Nagar.

He has rich experience of over 32 years in sugar industry, including extensive experience of more than 16 years (joined in 2009) with Mawana Sugars Limited and has worked with reputed sugar companies like DCM Shriram Industries Limited (10 years) & DCM Shriram Limited (6 years).

### (ii). Past remuneration:

The past remuneration (CTC) paid to Mr. Rakesh Kumar Gangwar in previous three years is as under:

(Per Annum Rs.)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
Salary	1,90,66,007	1,70,83,473	1,69,07,383

### (iii). Recognition or Awards: Nil

### (iv). Job Profile and his Suitability:

Mr. Rakesh Kumar Gangwar brings extensive experience in sugar and distillery operations. He is actively engaged in fostering positive relationships with farmers, government authorities and other stakeholders.

### (v). Remuneration Proposed:

The proposed remuneration (Cost to the Company) of Mr. Rakesh Kumar Gangwar, Managing Director of the Company for the period commencing from August 13, 2025 to August 12, 2026 has been fixed at Rs.2,27,77,734/- (Rupees Two Crore Twenty-Seven Lakh Seventy-Seven Thousand Seven Hundred Thirty-Four only) per annum. Additionally, Mr. Gangwar shall also be paid a Variable Pay of Rs.10,00,000 (Rupees Ten Lacs) for the year. Leave facility and retirement benefits will be as per rules of the Company.

(In Rupees)

Sl. No.	Salary and Allowances	Perquisites	Contribution to Provident and other Funds	Total
1.	2,07,87,545	6,60,000	13,30,189	2,27,77,734

### (vi). Comparative remuneration Profile with respect to Industry size of the Company, profile of the position and person:

The proposed remuneration is commensurate with the prevailing practice in similarly placed companies for similar position of responsibility.

### (vii). Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel or other director, if any.

Besides, the remuneration paid to Mr. Rakesh Kumar Gangwar as Managing Director, does not have any other pecuniary relationship with the Company.

## NOTICE (Contd.)

### III. OTHER INFORMATION:

#### (i). Reasons of loss or inadequate profits

The Company has shown a profit of Rs. 71.40 crore for the year under review and for the last 8 years, company is consistently showing profits except for year ending March 31, 2020, which was mainly due to adoption of 115BAA of Income Tax Act under which the Company remeasured its deferred tax balances on March 31, 2020 and consequential deferred tax expense of Rs. 26.88 crore has been charged to Statement of Profit and Loss and MAT assets of Rs. 44.45 crore has been written off during the year. However, the net profits computed in accordance with Section 198 of the Companies Act, 2013, the Company has losses or inadequate profits on account of losses occurred prior to year 2017.

Company is proposing to pay the remuneration as prescribed under Item A, Section II of Part IT of Schedule V of The Companies Act, 2013.

#### (ii). Steps taken or proposed for improvement

The Company has been taking all measures within its control to maximize efficiencies and optimize costs to lower the cost of production of sugar, realizing that it has little control over Government policies. With a view to make its sugar operations more viable, the Company has chalked out a road map for improving plant efficiency and setting cane development targets which will further increase the recovery of sugar and increase the profitability of sugar business.

#### (iii). Expected increase in productivity and profit in measurable terms.

It is difficult to forecast productivity and profitability in measurable terms. However, the Company expects that productivity and profitability may further improve and would be comparable with the industry average.

### IV. DISCLOSURES:

The requisite disclosures of remuneration package etc. have been mentioned in the statement appended in this Notice. At present, there is no stock option scheme available in the Company.

By Order of the Board of Directors  
For **Mawana Sugars Limited**

**(Ashok Kumar Shukla)**  
Company Secretary  
ACS-29673

Place : Gurugram  
Dated : May 24, 2025

# Mawana Sugars Limited

## NOTICE (Contd.)

### ANNEXURE-A

#### **DETAILS OF THE DIRECTOR SEEKING RE-APPOINTMENT IN TERMS OF REGULATION 36 OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

Name of the Director	Mr. Krishna Shriram	Mr. Rakesh Kumar Gangwar
DIN	00031783	09485856
Date of Birth	June 3, 1970	September 15, 1970
Date of appointment	May 31, 2021	August 13, 2024
Nationality	Indian	Indian
Qualification	B.A.(English) (Hons)	Graduate Honours in Agriculture & Animal Husbandry with specialization in Agronomy from G.B. Pant University of Agriculture and Technology, Pant Nagar.
Experience (including expertise in specific functional area)/ Brief Resume	Mr. Krishna Shriram had held the office of the Chairman and Non-Executive Director of the Company and made significant strategic contribution to the development of sugar business of the Company including setting up of Nanglamal Sugar Complex and the distillery. He has honed his business acumen skills and is well regarded as a content provider and strategic business thinker.	Mr. Rakesh Kumar Gangwar, designated as Managing Director, brings extensive experience in sugar and distillery operations. He is focused on enhancing sugar recoveries, improving plant efficiencies, and increasing industrial sugar sales volumes. He is actively engaged in fostering positive relationships with farmers, government authorities, and various stakeholders. Additionally, he has a proven track record in managing P&L responsibilities, with a strong emphasis on driving profitability and cost efficiency.
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	None	None
Name of other Indian companies in which Directorship held	Executive Chairman: - Usha International Ltd.	Managing Director: - Mawana Foods Pvt. Ltd.
Chairman/ Member of Board Committees in Indian Companies	Chairman/Member: Usha International Ltd. - CSR Committee - Chairman - Nomination and Remuneration Committee - Member	Member: Mawana Foods Pvt. Ltd. - Audit Committee - Nomination and Remuneration Committee
Shareholding in the Company	2,46,17,959 equity shares of Rs.10/- each	Nil
Remuneration to be paid (From August 13, 2025 to August 12, 2026)	Nil	As per the resolution at item No.6 of this Notice.
Remuneration last drawn (Current CTC)	Nil	Rs.1,90,66,007/- per annum.
No. of Meetings attended during the year	For details, please refer to the Corporate Governance Report, forming part of this Annual Report.	For details, please refer to the Corporate Governance Report, forming part of this Annual Report.
Listed entities from which the director has resigned in the past three years.	None	None

## DIRECTORS' REPORT

Your Directors hereby present the 61<sup>st</sup> Annual Report along with Audited Accounts of the Company for the financial year ended March 31, 2025.

### FINANCIAL RESULTS

Sl. No.	Particulars	Financial Year	
		2024-25	2023-24
1.	Profit before interest, depreciation, exceptional items and tax	132.96	122.88
2.	Interest	29.51	29.60
3.	Depreciation	33.50	35.30
4.	Exceptional Items - Income (net)	21.39	-
5.	Profit before tax (1-2-3+4)	91.34	57.98
6.	Tax expenses	19.94	15.39
7.	Profit/(Loss) for the year (5-6)	71.40	42.59
8.	Other Comprehensive Income	(0.35)	0.01
9.	Total Comprehensive Income (7+8)	71.05	42.60

\*Exceptional items includes profit on sale of investment in subsidiaries i.e. Siel Industrial Estate Limited and Siel Infrastructure and Estate Developers Private Limited amounting Rs. 22.99 crore and impairment allowance on investment in Mawana Foods Private Limited by Rs.1.60 crore.

### TRANSFER TO RESERVES

No amount is transferred to the General Reserve.

### DIVIDEND

Your directors are pleased to recommend a Final Dividend @ 10% i.e. Rs.1/- per equity share of Rs.10/- each for the year ended March 31, 2025, subject to approval of the shareholders at the ensuing Annual General Meeting ('AGM'). This final dividend is in addition to the Interim Dividend of Rs.3/- per equity share paid in November 29, 2024.

### OPERATIONS

#### SUGAR DIVISION

The sugarcane crush during season 2024-25 was 28.70 Lac Tons as compared to 28.35 Lac Tons in the previous season. The entire cane dues of the farmers for the season were paid within stipulated time.

#### DISTILLERY DIVISION

During the financial year 2024-25, 29657 KL (previous year 39405 KL) of ethanol was produced. For the ethanol year 2024-25 (Nov 24 to Oct 25), the Company is allocated by Oil Marketing Companies a supply of 33,801 KL of ethanol from B Heavy Molasses.

### SIGNIFICANT TRANSACTIONS

During the year under review, the following transactions were made:

- The Company has transferred its Equity and Preference Shareholding in Siel Industrial Estate Limited (Siel IE), and Equity Shares in Siel Infrastructure and Estate Developers Private Limited (Siel IED) for a total consideration of Rs. 117 crore including repayment of loans aggregating to Rs. 9.50 crore given by the Company to Siel IE.
- The Company has purchased 1,32,77,049 (including four shares held through Nominees) fully paid-up equity shares of Rs.10/- each from Usha International Limited (UIL) held in Mawana Foods Pvt. Ltd. (MFPL) for a total consideration of Rs. 2.42 crore.
- The Company has acquired the brand 'MAWANA' (including all Trademarks, all related Marks and Copyrights) from Usha International Limited (UIL) for cash consideration of Rs. 5.75 crore.

### SUBSIDIARY/ASSOCIATE COMPANIES

#### a) SUBSIDIARY COMPANIES

Siel Industrial Estate Limited (Siel IE) and Siel Infrastructure & Estate Developers Pvt. Ltd (Siel IED) ceased to be subsidiaries of the Company w.e.f. October 11, 2024.

#### b) ASSOCIATE/SUBSIDIARY COMPANY

Mawana Foods Private Limited (MFPL), an associate company, has become a wholly owned subsidiary of the Company w.e.f. December 31, 2024.

### CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements of the Company for the financial year 2024-2025, are prepared in compliance with applicable provisions of the Companies Act, 2013, (the Act) Accounting Standards and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### DIRECTORS AND KEY MANAGERIAL PERSONNEL

#### (a) CHANGE IN DIRECTORSHIP:

Mr. Krishna Shriram (DIN-00031783), Director of the Company will retire by rotation at the forthcoming Annual General Meeting ('AGM') and being eligible, offers himself for re-appointment.

Mr. Rakesh Kumar Gangwar (DIN-09485856) was appointed Managing Director of the Company for a period of 5 (five) years and payment of remuneration for a period of 1 (one) year effective from August 13, 2024 and requisite approval of the shareholders has been received.

All the Directors have made requisite disclosures under provisions of the Company Act, 2013 and SEBI (LODR) Regulations, 2015.

## DIRECTORS' REPORT (Contd.)

### (b) KEY MANAGERIAL PERSONNEL

During the financial year ended March 31, 2025, the following persons were the Whole Time Key Managerial Personnel (KMP) of the Company in terms of Section 203 of the Act:

Sl. No.	Name	Designation
1.	Mr. Rakesh Kumar Gangwar*	Managing Director
2.	Mr. Dharam Pal Sharma**	Whole Time Director
3.	Mr. Vikash	Chief Financial Officer
4.	Mr. Ashok Kumar Shukla	Company Secretary

\*Appointed as Managing Director of the Company w.e.f. August 13, 2024.

\*\* Ceased as Whole Time Director of the Company w.e.f. August 12, 2024.

### DECLARATION U/S 149 (6) OF THE ACT

All the Independent Directors (IDs) have provided requisite declarations under the Companies Act and SEBI (LODR) Regulations, 2015, confirming that they meet the criteria of independence as laid down under the Act/ Regulations.

All the Directors have confirmed that they are not disqualified to be appointed as Directors, and they have not been debarred by SEBI to hold the office of Director.

### (c) BOARD/DIRECTORS' EVALUATION

The Board has carried out an annual evaluation of its own performance, performance of its committees, and individual Directors as required under the provisions of the Act and the Corporate Governance requirements prescribed by SEBI (LODR) Regulations 2015.

### DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors state that:

- the applicable accounting standards, along with proper explanation relating to material departures, have been followed in the preparation of the Annual Accounts;
- sound accounting policies have been selected and applied consistently and that the judgments and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year;
- proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- the Annual Accounts have been prepared on a going concern basis;
- proper internal financial controls have been laid to be followed by the Company and such internal financial controls are adequate and were operating effectively; and
- proper systems have been devised to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

### MEETINGS OF THE BOARD

During the financial year ended March 31, 2025, five (5) Board meetings were held. In case of urgent business, one (1) resolution was passed by circulation with requisite majority. Compliance of various laws applicable to the Company was reviewed at every meeting of the Audit Committee and the Board. The intervening gap between the Meetings of the Board was within the period prescribed under the Act and the SEBI (LODR) Regulations, 2015. The details of meetings held and attended by the Directors during the year are provided in the Corporate Governance Report.

All statutory and other important items/ information were placed before the Board for approval/review.

### INTERNAL FINANCIAL CONTROLS

The Company has over the years evolved effective systems and procedures to ensure internal financial controls in all its establishments to ensure orderly and efficient conduct of its business, including adherence to Company's policies, safeguarding of assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records, and timely preparation of reliable financial information.

The Audit Committee evaluates the internal financial control system periodically.

An effective communication/ reporting system operates between the Units and Corporate Office to keep various establishments abreast of regulatory changes and ensure compliances.

### AUDITORS AND THEIR REPORT

#### a) STATUTORY AUDITORS

M/s. S.R. Batliboi & Co. LLP, Chartered Accountants (ICAI Firm Registration No:301003E/ E300005) was appointed Statutory Auditors of the Company at the 58th Annual General Meeting ('AGM') of the Company held on September 29, 2022 for the second and final term of five consecutive years up to the conclusion of 63rd AGM of the Company.

The Report given by the Auditors on the financial statements of the Company for the Financial year ending March 31, 2025 is part of the Annual Report.

## DIRECTORS' REPORT (Contd.)

### b) COST AUDITORS

The Board, on the recommendation of the Audit Committee, has approved the appointment of M/s. Bahadur Murao Co., Cost Accountants, New Delhi (Firm Registration No. 08) as Cost Auditors for conducting the audit of the cost records maintained by the Company for Sugar, Industrial Alcohol and Co-gen for FY 2025-26.

The Cost Audit Report for the financial year ended March 31, 2024 was filed with the appropriate authorities within the prescribed time.

### c) SECRETARIAL AUDITORS

The Board has, subject to the approval of the Shareholders, approved the appointment of M/s Nirbhay Kumar & Associates (Peer Review Certificate No. 2441/2022), Practicing Company Secretaries, as Secretarial Auditor of the Company for a term of five consecutive years commencing from financial year 2025-2026 to financial year 2029-2030.

The Secretarial Audit Report for the financial year ended March 31, 2025 is attached as **Annexure - 1** of this Report.

### PUBLIC DEPOSITS

The Company has not accepted any public deposits during the financial year ended March 31, 2025.

### RISK MANAGEMENT

The Company has a Risk Management Committee to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified are systematically addressed through mitigating actions on a continuing basis. These are discussed at the meetings of the Audit Committee and the Board of Directors of the Company.

### AUDIT COMMITTEE

As of the date of this report, the Audit Committee comprises of four Directors of which Mr. Satish Agrawal, Mr. Arun Kumar Kaul and Ms. Anuradha Dutt are non-executive independent directors, and Mr. Krishna Shriram is non-executive non-independent director.

The details of terms of reference of the Audit Committee, number and dates of meeting held, attendance, among others are given separately in the attached Corporate Governance Report.

### NOMINATION AND REMUNERATION COMMITTEE

Board has constituted a Nomination & Remuneration Committee (NRC). The details of terms of reference, number & dates of meeting held, attendance and other details are given separately in the attached Corporate Governance Report. The Board on the recommendation of NRC framed Nomination and Remuneration Policy for selection and appointment of Directors, senior managerial personnel and

their remuneration. The aforesaid policy can be accessed on the Company's website: [www.mawanasugars.com](http://www.mawanasugars.com).

### REMUNERATION POLICY

The Company has adopted a Remuneration Policy for executive and non-executive directors and persons who are appointed in Senior Management and Key Managerial positions and to determine their remuneration. The remuneration policy is placed on the Company's website.

### CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company has constituted a Corporate Social Responsibility (CSR) Committee and has adopted a CSR policy. The Committee is primarily responsible for formulating and recommending to the Board of Directors from time to time the CSR activities and the amount of expenditure to be incurred on the activities pertaining to CSR and monitoring CSR Projects. The CSR Policy of the Company has been placed on the Company's website. During the year, the Company has not contributed towards CSR in view of accumulated losses.

Annual Report on CSR as format prescribed under Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, is enclosed as **Annexure - 2**.

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

The information relating to conservation of energy, technology absorption and foreign exchange earnings and outgo, is enclosed as **Annexure - 3** and forms part of this Report.

### PARTICULARS OF EMPLOYEES

The requisite information as required under the Act and the Rules made thereunder in respect of employees of the Company is given in **Annexure - 4** of this Report.

### PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The details of Loans, Guarantees and Investments by the Company are given in the notes to Financial Statements.

### RELATED PARTY TRANSACTIONS

The Board has framed a Policy on related party transactions and placed the same on the Company's website.

The related party transactions between the Company and the Directors, Key Management Personnel, the subsidiaries, or the relatives have been disclosed in the financial statements in Notes to Financial Statements and compliance of Section 188(1) of the Act have been duly made wherever applicable.

### VIGIL MECHANISM

The Company has formulated and implemented the Whistle Blower Policy/Vigil Mechanism. This has provided a mechanism for directors and employees of the Company and

## DIRECTORS' REPORT (Contd.)

other persons dealing with the Company to report to the Chairman of the Audit Committee, any instance of unethical behavior, actual or suspected fraud or violation of the Company's code of conduct. The aforesaid policy has also been uploaded on the Company's website.

### ANNUAL RETURN

A copy of Annual Return for the year 2023-24, is available on the Company's web link [www.mawanasugars.com/annual-reports](http://www.mawanasugars.com/annual-reports). The Annual Return for the year 2024-25 will be uploaded after filing with the Registrar of Companies in due course.

### SECRETARIAL STANDARDS

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

### CORPORATE GOVERNANCE

Corporate Governance Report along with Auditors' certificate thereon and Management Discussion and Analysis Report form part of this report are annexed herewith and marked as **Annexure - 5**.

### SHARE CAPITAL

During the financial year ended March 31, 2025, the Company has not issued any share capital with different voting rights, sweat equity or ESOP nor provided any money to the employees or trusts for purchase of its own shares.

### UNCLAIMED SHARES SUSPENSE ACCOUNT

The position regarding the unclaimed equity shares, transferred to the Demat Suspense Account as required under SEBI (LODR) Regulations, is as under:

Balance as on April 1, 2024		No. of Members who approached the Company for transfer of shares and shares transferred from Suspense Account during the year		Balance as on March 31, 2025	
No. of holders	No. of Shares	No. of holders	No. of Shares	No. of holders	No. of Shares
6629	147525	7	225	6622	147300

The voting rights on the shares in the suspense account as on March 31, 2025 will remain frozen unless the rightful owners of such shares claim the shares.

### ANTI-SEXUAL HARASSMENT POLICY

Pursuant to the "Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013" read with Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Rules, 2013, the Company has constituted Internal Complaints Committees at all its workplaces. There has been no complaint reported in this regard to any of the Committees.

### SIGNIFICANT AND MATERIAL ORDERS

There are no significant and material orders passed by any regulatory authority or courts or tribunals impacting the going concern status and the Company's operations in future.

### INDUSTRIAL RELATIONS

The Company continued to maintain harmonious and cordial relations with its workmen in all its establishments.

### ACKNOWLEDGEMENTS

The Directors acknowledge the co-operation, assistance and support extended by Central Government, State Governments, Banks, Financial Institutions, Dealers, Sugarcane farmers, Society at large, Vendors and valued shareholders of the Company. The Directors also to place on record their appreciation for the all-round co-operation and contribution made by the employees at all levels.

For & on behalf of the Board of Directors  
**Mawana Sugars Limited**

**(Krishna Shriram)**  
Chairman of the Board  
DIN: 00031783

Place : New Delhi  
Dated : May 24, 2025

## ANNEXURE - 1 TO DIRECTORS' REPORT

### FORM NO. MR-3 SECRETARIAL AUDIT REPORT

#### FOR THE FINANCIAL YEAR ENDED ON 31st MARCH 2025

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

To ,  
The Members,  
**Mawana Sugars Limited**  
(CIN: L74100DL1961PLC003413)  
5th Floor, Kirti Mahal,  
19, Rajendra Place,  
**New Delhi- 110 125**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Mawana Sugars Limited**, (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period for the financial year ended on 31st March, 2025 complied with the statutory provisions listed hereunder and also state that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2025 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made there under.
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (**Not applicable to the Company during the audit period**);
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (**Not applicable to the Company during the audit period**)
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client to the extent of securities issued;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (**Not applicable to the Company during the audit period**); and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (**Not applicable to the Company during the audit period**);

We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, the Company has complied with the following laws applicable specifically to the Company:

- (a) Factories Act, 1948;
- (b) Industries (Development & Regulation) Act, 1951;
- (c) All Labour laws and such Other incidental laws related to Labour and employees appointed by the Company either on its payroll or on contractual basis related to wages, gratuity, provident fund, ESIC, compensation, welfare etc.;
- (d) Acts prescribed under prevention and control of Pollution and Acts prescribed for Protection of Environment;
- (e) Acts as prescribed under Direct and Indirect Tax;
- (f) The Legal Metrology Act, 2009;
- (g) Indian Electricity Act, 2003;

## ANNEXURE - 1 TO DIRECTORS' REPORT (Contd.)

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- (h) The Food Safety and Standard Act, 2006;
- (i) Drugs & Cosmetic Act, 1940 & Rules;
- (j) Indian Boiler Act, 1923;
- (k) Essential Commodities Act, 1955;
- (l) Sugar Cess Act, 1982;
- (m) Explosive Act, 1884/Rules 1983
- (n) Acts as prescribed under Shop and Establishment Act of various local authorities;
- (o) Acts as prescribed by respective states and local authorities etc.
- (p) Sugarcane Control Order, 1966 as amended by Sugar (Control) Order, 2025
- (q) Sugar Control Order, 1966

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

- i. Listing Agreements entered into by the Company with Stock Exchange(s),
- ii. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended up to date.
- iii. Secretarial Standards issued by the Institute of Company Secretaries of India and **notified by Ministry of Corporate Affairs**.

On the basis of documents and information provided by the Company we are in opinion that during the year under review the Company has generally complied with the provisions of the above said Acts, Rules, Regulations, Guidelines, Standards, etc.

### We further report that-

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act except as mentioned in this report.

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

All the decisions at the Board Meetings and Committee Meetings have been carried out unanimously as recorded in the Minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the company has not undertaken any major activities like;

- i. Public/Right/Preferential issue of shares/debentures/ borrowing/sweat equity/ESOP etc.
- ii. Redemption/ buy-back of securities
- iii. Major decisions has not been taken by the members in pursuance to section 180 of the Companies Act, 2013
- iv. Merger / amalgamation / reconstruction, etc.
- v. Foreign technical collaborations/Joint Ventures etc.

We further report that vide its letter dated February 03, 2025 Ministry of Corporate Affairs office of **Regional Director (Northern Region)** has initiated inspection under Section 206 (5) of the Companies Act, 2013. **Company vide its letter dated February 17, 2025 has properly replied to the aforesaid inspection letter and inspection is under progress.**

We further report that SEBI vide its order No. or QJA/GR/ IVD/IDIS/31199/2024-25 dated February 18, 2025 passed an Order under Section 11(1), IIB(i) read with Section 28B(2)(b) of the SEBI Act, 1992 in the name of Mr. Krishna Shriram ('Noticee'), Promoter of the Company to disgorge the amount of Rs.6,17,25,000/- (Rupees Six Crores Seventeen Lacs Twenty Five Thousand only) along with the interest at the rate of 12% per annum from November 24, 2017 in the matter of the equity shares sold by late Mr. Siddharth Shriram. The recipient has challenged the order before the Securities Appellate Tribunal(SAT). **SAT vide its order dated April 04, 2025 stayed the order of disgorgement till final hearing in this matter.**

For Nirbhay Kumar & Associates  
Company Secretaries

Nirbhay Kumar  
M. No.: 11946  
C.P. No.: 7887

Place: New Delhi  
Date: May 16, 2025  
UDIN – F011946G000365277

## ANNEXURE - 1 TO DIRECTORS' REPORT (Contd.)

'Annexure A'

To,  
The Members,  
**Mawana Sugars Limited**  
(CIN: L74100DL1961PLC003413)  
5th Floor, Kirti Mahal  
19, Rajendra Place  
**New Delhi- 110 125**

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

For Nirbhay Kumar & Associates  
Company Secretaries

**Nirbhay Kumar**  
M. No.: 11946  
C.P. No.: 7887

**Place: New Delhi**  
**Date: May 16, 2025**  
**UDIN – F011946G000365277**

## ANNEXURE - 2 TO DIRECTORS' REPORT

### REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. Brief outline on CSR Policy of the Company – this has been laid down in CSR Policy published on the website of the Company.
2. As on March 31, 2025, the Composition of the CSR Committee is as under:

Member/Director	Executive/ Non-Executive	Independent/ Non-Independent	No. of meetings during the FY 2024-25	
			Held	Attended
Ms. Anuradha Dutt - Chairperson	Non-Executive	Independent	1	1
Mr. Satish Agarwal	Non-Executive	Independent	1	1
Mr. Dharam Pal Sharma*	Executive	Non-Independent	1	1
Mr. Rakesh Kumar Gangwar**	Executive	Non-Independent	NA	NA

\*Ceased to be a member of the Committee w.e.f. August 12, 2024.

\*\*Appointed as a member of the Committee w.e.f. August 13, 2024.

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

CSR Committee	<a href="https://www.mawanasugars.com/Investors&gt;List of Board Committees&lt;/a&gt;&lt;/td&gt;&lt;/tr&gt; &lt;tr&gt; &lt;td&gt;CSR Policy&lt;/td&gt;&lt;td&gt;&lt;a href=" https:="" policies.php"="" www.mawanasugars.com="">https://www.mawanasugars.com/policies.php</a>
CSR Projects	Nil

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule (3) of rule 8, if applicable: Not Applicable
  - (a) Average net profit of the Company as per sub-section (5) of Section 135: Rs. (-) 4,17,15,91,179/-
  - (b) Two percent of average net profit of the Company as per sub-section (5) of Section 135: NIL
  - (c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years: NIL
  - (d) Amount required to set off for the financial year, if any: NIL
  - (e) Total CSR obligation for the financial year, if any: NIL
5. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): NIL
  - (b) Amount spent in Administrative Overheads: NIL
  - (c) Amount spent on Impact Assessment, if applicable: N.A.
  - (d) Total amount spent for the Financial Year [(a)+(b)+(c)]: NIL
  - (e) CSR amount spent or unspent for the financial year: NIL
6. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years: N.A.
7. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No
8. Specify the reason(s), if the Company has failed to spend two percent of the average net profit as per sub-section (5) of Section 135: Not Applicable

## ANNEXURE - 3 TO DIRECTORS' REPORT

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

<b>A. CONSERVATION OF ENERGY:</b>									
(i)	The steps taken or impact on conservation of Energy								
	<ul style="list-style-type: none"> <li>a) Replacement of 3 nos. obsolete steam turbine drives of milling tandem with AC VFD drives</li> <li>b) Installation of Falling Film Evaporator</li> <li>c) Installation of Mechanical circulators in Batch Pans</li> <li>d) Replacement of old slip ring motor of Injection pump by energy efficient motor with VFD</li> <li>e) Automation of evaporator condensers to reduce the injection water consumption and save energy</li> <li>f) Replacement of old gear box of crystallizers with planetary drives</li> <li>g) Reduction in steam consumption in Distillery by optimizing process parameters</li> </ul>								
(ii)	The steps taken by the company for utilizing the alternate source of energy								
(iii)	The capital investment on energy conservation Equipment								
<b>B. TECHNOLOGY ABSORPTION:</b>									
(i)	The efforts made towards technology absorption								
(ii)	The benefits derived like product improvement, cost reduction, product development or import substitution								
(iii)	In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year) <table border="0" style="width: 100%;"> <tr> <td style="width: 30%;">(a) The details of the technology imported;</td> <td style="width: 70%;">N.A.</td> </tr> <tr> <td>(b) The year of import;</td> <td>N.A.</td> </tr> <tr> <td>(c) Whether the technology been fully absorbed;</td> <td>N.A.</td> </tr> <tr> <td>(d) If not fully absorbed, areas where absorption has not taken place, and the reasons there of;</td> <td>N.A.</td> </tr> </table>	(a) The details of the technology imported;	N.A.	(b) The year of import;	N.A.	(c) Whether the technology been fully absorbed;	N.A.	(d) If not fully absorbed, areas where absorption has not taken place, and the reasons there of;	N.A.
(a) The details of the technology imported;	N.A.								
(b) The year of import;	N.A.								
(c) Whether the technology been fully absorbed;	N.A.								
(d) If not fully absorbed, areas where absorption has not taken place, and the reasons there of;	N.A.								
(iv)	The expenditure incurred on research and development								
<b>C. FOREIGN EXCHANGE EARNING AND OUTGO:</b>									
The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows: The information is given in Notes to financial statements.									

# Mawana Sugars Limited

## ANNEXURE - 4 TO DIRECTORS' REPORT

### STATEMENT OF PARTICULARS OF EMPLOYEES AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT & REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

The information required under Section 197 of the Companies Act, 2013 and the Rules made there-under, in respect of employees of the Company are as follows:-

1. The median remuneration of employees of the Company during the financial year was Rs.4,52,328/- The Ratio of the Remuneration of each Director to the Median Remuneration of the Employees of the Company for the financial year 2024-25 are as under:

Directors	Designation	Remuneration of Directors in Financial Period 2024-25 (Rs.)	Ratio of Remuneration to Median Remuneration of Employees
Mr. Krishna Shriram*	Non-Executive & Non-Independent Director	2,75,000	0.61
Mr. Satish Agrawal*	Non-Executive & Independent Director	4,25,000	0.94
Mr. Mukesh Chauhan*	Non-Executive & Non-Independent Director	1,75,000	0.39
Mr. Arun Kumar Kaul*	Non-Executive & Independent Director	3,75,000	0.83
Ms. Anuradha Dutt*	Non-Executive & Independent Director	4,00,000	0.88
Mr. Dharam Pal Sharma (upto August 12, 2024)	Whole-Time Director	17,07,498	3.77
Mr. Rakesh Kumar Gangwar (w.e.f. August 13, 2024)	Managing Director	1,26,87,626	26.64

\*All the Non-Executive Directors of the Company were paid only sitting fee for attending the meetings of the Board/ Committee of Directors.

2. **The percentage increase in remuneration of each Director, Whole Time Director, Chief Financial Officer and Company Secretary in the financial year:**

There is no increase in the Sitting Fees payable to the Directors for attending the meetings of the Board/Committee and any variation in remuneration of such directors is on account of number of meetings attended by them.

#### Key Managerial Personnel's (KMPs)

Whole Time Director/KMPs	Remuneration of KMP in Financial Period 2024-25 (Rs.)	% increase in remuneration
Mr. Dharam Pal Sharma, Whole Time Director (Up to – August 12, 2024)	17,07,498	Nil
Mr. Rakesh Kumar Gangwar, Managing Director	1,90,66,007	11.67
Mr. Vikash Chief Financial Officer	1,17,28,302	12.23
Mr. Ashok Kumar Shukla, Company Secretary	28,39,029	10.04

3. The percentage increase in the Median Remuneration of Employees in the financial period was **4.53**

4. The number of Permanent Employees on the Rolls of Company:

**The number of Permanent Employees on the Rolls of Company as on March 31, 2025 was 1194.**

5. Average percentage increase already made in the salaries of employees other than managerial personnel in the last financial period and its comparison with percentile increase in the Managerial Remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the Managerial Remuneration:

**The average increase in salaries of employees in 2024-25 was 8.11%.**

6. Affirmation that the Remuneration is as per the Remuneration Policy of the Company:

**The Company affirms that the Remuneration paid during the period were as per the Remuneration Policy of the Company.**

## ANNEXURE - 4 TO DIRECTORS' REPORT (Contd.)

### STATEMENT OF PARTICULARS OF EMPLOYEES AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(2) OF THE COMPANIES (APPOINTMENT & REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

a) Name of employee employed throughout the financial year and was in receipt of remuneration Rs.1,02,00,000/- or more:

Name	Designation / Nature of Duty	Remuneration (Rs.)	Qualification	Experience (Yrs)	Date of Commencement	Age Yrs	Particulars of last Employment
Mr. Rakesh Kumar Gangwar	Managing Director	1,90,66,007	B.Sc Agriculture & Animal Husbandry (Hons) Specialisation in Agronomy	33	April 10, 2009	54	DCM Shriram Limited
Mr. Vikash	Vice President & CFO	1,17,28,302	B. Com, CA	27	April 14, 2023	54	Organic India Private Limited

(b) Name of the employee employed for a part of the financial year and was in receipt of remuneration not less than Rs.8,50,000/- per month : Nil

## ANNEXURE - 5 TO DIRECTORS' REPORT

### CORPORATE GOVERNANCE REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2025

#### 1. Company's Philosophy on Code of Corporate Governance

Good Corporate Governance is the adoption of the best business practices which ensure that the Company operates within the regulatory framework with high ethical standards. The adoption of such corporate practices ensures accountability of the persons in charge of the Company on one hand and brings benefits to investors, customers, creditors, employees, and the society at large on the other. The Company believes in practicing good Corporate Governance and endeavors to improve on these aspects on an ongoing basis.

The Company ensures full compliance with the requirements of Corporate Governance under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR Regulations).

#### 2. Board of Directors

##### (a) Composition

As at March 31, 2025, the Board of Directors of the Company consisted of Six (6) Directors out of which three Directors are Independent Directors and two Directors are non-Executive and non-Independent Directors. One Director is Executive and Non-Independent Director. The Board members possess the skill, experience and expertise necessary to guide the Company.

All the Directors have given necessary disclosures as required in the Companies Act, 2013 and rules made thereunder. There is no relationship between the Directors inter-se.

The composition of Board of Directors, their attendance at the Board Meetings held during the financial year ended March 31, 2025 and at the last Annual General Meeting held on July 6, 2024 and also the other directorship and membership/ chairmanship of Board committees is as follows:

Name of Director	DIN	Category of Directorship	No. of Board Meetings Attended	Attended last AGM	No. of other Directorship*	Name of the listed Companies (holding position of Director and category of Directorship)	No. of other Committee Membership*	
							Member (including Chairman ship)	Chairman/ Chairper-son
Mr. Krishna Shriram (Chairman)	00031783	NE- NI-D & Promoter	5	Yes	4	Nil	Nil	Nil
Ms. Anuradha Dutt	00145124	NE- I-D	5	Yes	7	Honda India Power Products Ltd. (NE-I-D)	Nil	Nil
Mr. Arun Kumar Kaul	09127653	NE- I-D	5	Yes	1	Nil	Nil	Nil
Mr. Dharam Pal Sharma (Whole Time Director) <sup>1</sup>	07259344	ED	2	Yes	Nil	Nil	Nil	Nil
Mr. Mukesh Chauhan	09387262	NE- NI-D	5	Yes	Nil	Nil	Nil	Nil
Mr. Rakesh Kumar Gangwar (Managing Director) <sup>2</sup>	09485856	ED	3	NA	1	Nil	Nil	Nil
Mr. Satish Agrawal	00167589	NE- I-D	5	Yes	Nil	Nil	Nil	Nil

ED-Executive Director, NE-I-D-Non-Executive Independent Director, NE-NI-D-Non-Executive Non-Independent Director

1. Ceased as Whole Time Director of the Company w.e.f. August 12, 2024.
2. Appointed as Managing Director of the Company w.e.f. August 13, 2024.

*Note:*

*\*For the purpose of determination of member/chairmanship in other Committees of other Public Companies, only Audit and Stakeholders' Relationship Committees have been considered as defined under Regulation 26 of SEBI (LODR) Regulations, 2015.*

#### Number of Board Meetings

During the financial year ended March 31, 2025, five board meetings were held on May 25, 2024, August 10, 2024, November 9, 2024, February 8, 2025 and March 22, 2025.

## ANNEXURE - 5 TO DIRECTORS' REPORT (Contd.)

### Meeting of Independent Directors

A separate meeting of the Independent Directors of the Company was held on March 22, 2025 to oversee and review the performance of Non-Independent Directors and the Board as a whole. Mr. Satish Agrawal, Ms. Anuradha Dutt and Mr. Arun Kumar Kaul, the Independent Directors attended the meeting.

### (b) Details of the shareholding of Non-Executive Directors

Except Mr. Krishna Shriram, (holds 2,46,17,959 equity shares), none of the other Non-Executive Directors held any shares in the Company as on the Financial Year ended March 31, 2025.

### (c) Familiarization programme for Independent Directors

Periodic presentations are made at the Board and Committee Meetings on business and performance updates of the Company.

The Board members are provided with necessary documents and reports to enable them to familiarize with the Company's procedures and practices.

### (d) Core Skills, expertise and competence of Board of Directors

The Board comprises of qualified and experienced members who possesses required skill, expertise and competence which allow them to make effective contributions to the functioning of the Board and its Committees. The core skill/ expertise/ competencies required in the Board in the context of effective functioning of the Company, as identified by the Nomination and Remuneration Committee and the Board of Directors of the Company are tabulated below:

Name of Director	Core Skills / Expertise /Competencies				
	Leadership/ Operational Experience	Strategic Planning	Sector/Industry Knowledge & Experience, R&D Innovation	Technology	Financial, Regulatory/ Legal & risk Mgmt.
Mr. Krishna Shriram	✓	✓	✓	✓	✓
Mr. Arun Kumar Kaul	✓	✓	-	✓	✓
Ms. Anuradha Dutt	✓	✓	-	-	✓
Mr. Mukesh Chauhan	✓	✓	✓	✓	-
Mr. Rakesh Kumar Gangwar	✓	✓	✓	✓	✓
Mr. Satish Agrawal	✓	✓	-	-	✓

### (e) Confirmation

Based on the declaration received from the Independent Directors, the Board confirms that in its opinion, the Independent Directors of the Company fulfill the conditions specified in the SEBI Listing Regulations 2015 and are independent of the management.

### (f) Information supplied to the Board.

1. Annual operating plans and budgets, capital budgets, updates.
2. Quarterly results of the Company.
3. Minutes of meetings of Board committees and unlisted subsidiary companies.
4. Compliance of any regulatory, statutory nature or listing requirements and shareholder services.

The Board periodically reviews the statutory compliances reports as prepared and presented by the Company. The Board is presented with detailed notes along with the agenda papers.

## 3. Audit Committee

### (a) Terms of Reference

The role and terms of reference of the Audit Committee covers areas mentioned under SEBI Listing Regulations/ and Section 177 of the Companies Act, 2013 and rules related thereto/other SEBI Laws/Regulations, as applicable from time to time besides other matters as may be delegated by the Board of Directors from time to time.

### (b) Composition

The Audit Committee was constituted in 1992. As on March 31, 2025, the Audit Committee comprises of Four Directors out of which Three Directors are Independent Directors and One Director is Non-Executive and Non- Independent Director. All the Committee members have a sound knowledge of finance and accounting.

## ANNEXURE - 5 TO DIRECTORS' REPORT (Contd.)

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The Chairman of the Committee is an Independent Director and attended the last Annual General Meeting.

The Company Secretary is the Secretary of the Committee. The Chief Financial Officer (CFO), Internal Auditors and Statutory Auditors attend the meetings of the Committee at the invitation of the Company.

During the financial year ended March 31, 2025, the Audit Committee held four meetings on May 25, 2024, August 10, 2024, November 9, 2024 and February 8, 2025.

The attendance at the Committee meetings held during the financial year is as under:

Sl.No.	Name of Member	Status	No. of Meetings Attended
1.	Mr. Satish Agrawal	Chairman	4
2.	Ms. Anuradha Dutt	Member	4
3.	Mr. Arun Kumar Kaul	Member	4
4.	Mr. Krishna Shriram	Member	4

### 4. Nomination and Remuneration Committee

#### (a) Terms of Reference

The role and terms of reference of Nomination and Remuneration Committee covers areas mentioned under SEBI Listing Regulations and Section 178 of the Companies Act, 2013 and rules related thereto/other SEBI Laws/ Regulations, as applicable from time to time and other matters as may be delegated by the Board of Directors from time to time.

#### (b) Composition

As at March 31, 2025, the Nomination and Remuneration Committee of the Board is comprised of three Directors out of which Two Directors are Independent Directors and One Director is Non-Executive and Non-Independent Director.

The Chairman of the Nomination and Remuneration Committee is Independent Director who attended the last Annual General Meeting.

During the financial year ended March 31, 2025, the Committee held one meeting on August 10, 2024.

The Company Secretary is the secretary of the committee.

The composition of the Committee and their attendance at the Committee Meetings held during the financial year is as under:

Sl.No.	Name of Member	Status	No. of Meetings Attended
1.	Ms. Anuradha Dutt	Chairperson	1
2.	Mr. Krishna Shriram	Member	1
3.	Mr. Satish Agrawal	Member	1

#### (c) Performance Evaluation criteria for Independent Directors

The performance evaluation criteria for Independent Directors includes qualification, experience, knowledge, competency, availability, attendance, commitment, contribution of the individual directors to the Board and Committee meetings and fulfillment of independence criteria by them and their independence from the management. The performance evaluation of Independent Directors is done by the entire Board of Directors and in the evaluation the directors who are subject to evaluation did not participate.

#### (d) Remuneration Policy

In terms of the provisions of the Companies Act, 2013 and the Listing Regulations, the Remuneration for Executive and Non-Executive Directors and Persons who may be appointed in Senior Management and Key Managerial positions is determined and approved by the Nomination and Remuneration Committee and approved by the Board subject to further approval of the shareholders wherever necessary.

The Non-Executive Directors do not draw any remuneration from the Company other than the sitting fee of Rs.25,000/- for each meeting of the Board/ Committee thereof attended by them.

## ANNEXURE - 5 TO DIRECTORS' REPORT (Contd.)

### 5. Remuneration to Directors

#### a) Remuneration to Managing/Whole Time Director

The remuneration to the Managing/Whole Time Director is determined by the Nomination and Remuneration Committee and recommended to the Board for approval which is further placed for Shareholders' approval. Executive Directors do not receive any sitting fees for attending the Board and Committee meetings.

The details of the remuneration to the Managing/Whole Director provided as per accounts for the financial year ended March 31, 2025 is given below:

(Rupees)

Sl. No.	Name	Salary and Allowances	Perquisites	Contribution to Provident and other Funds	Total
1.	Mr. Rakesh Kumar Gangwar (MD) w.e.f. August 13, 2024	1,16,98,077	4,18,710	5,70,839	1,26,87,626
2.	Mr. Dharam Pal Sharma (WTD) upto August 12, 2024	14,31,462	2,41,290	34,746	17,07,498

1. Refer note no. 36 of the financial statements

#### b) Details of the fees paid to the Non-Executive Directors (NEDs)

The details of the sitting fees to the Non-Executive Directors provided as per accounts for the financial year ended March 31, 2025 is given below:

Sl. No.	Name of the Director	Sitting Fees (Rs.)
1.	Mr. Krishna Shriram	2,75,000/-
2.	Ms. Anuradha Dutt	4,00,000/-
3.	Mr. Arun Kumar Kaul	3,75,000/-
4.	Mr. Mukesh Chauhan	1,75,000/-
5.	Mr. Satish Agrawal	4,25,000/-

The Company has not paid any fixed component and performance linked incentives to the Non-Executive Directors during the financial year ended March 31, 2025.

The Company does not have any Stock Option Scheme.

### 6. Stakeholders Relationship Committee

#### (a) Terms of Reference

The Company has a Board Committee namely 'Stakeholders Relationship Committee' as required under the provisions of Section 178 (5) of the Companies Act, 2013 and Regulation 20 of SEBI (LODR) Regulations, 2015 to specifically look into various aspects of interest of Shareholders, debenture holders and any other security holders and other issues such as redressal of shareholders complaints, transmission/issue of duplicate shares etc.

The Committee meets on need basis. Besides this, Director/s and Company Secretary have been delegated the power to approve severally the registration of transmission of shares and other related matters upto 500 shares per case.

#### (b) Composition

As at March 31, 2025, the Stakeholders Relationship Committee of the Board comprised of three Directors out of which Two Directors are Independent Director and One Director is Executive and Non-Independent Director.

During the financial year ended March 31, 2025, the Committee held one meeting on March 22, 2025.

The Company Secretary is the secretary of the Committee.

The composition of the Committee and their attendance at the Committee meeting held is as under:

## ANNEXURE - 5 TO DIRECTORS' REPORT (Contd.)

Sl.No.	Name of Member	Status	No. of Meetings Attended
1.	Ms. Anuradha Dutt	Chairperson	1
2.	Mr. Dharam Pal Sharma*	Member	-
3.	Mr. Rakesh Kumar Gangwar**	Member	1
4.	Mr. Satish Agrawal	Member	1

\* Ceased to be a member of the Committee w.e.f. August 12, 2024.

\*\*Appointed as a member of the Committee w.e.f. August 13, 2024.

Mr. Ashok Kumar Shukla, Company Secretary is the Compliance Officer for complying with the requirements of SEBI (Prohibition of Insider Trading) Regulations, 2015 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Compliance Officer can be contacted at:

Mawana Sugars Limited, Plot No.3, Institutional Area,  
Sector-32, Gurugram-122001 (Haryana) Tel: 0124-4298000  
E-mail: [corporate@mawanasugars.com](mailto:corporate@mawanasugars.com)

During the financial year ended March 31, 2025, 4 complaints were received from the shareholders. All complaints were replied/resolved to the satisfaction of the shareholders. No complaints are pending as at the end of the financial year.

### 7. Corporate Social Responsibility Committee

#### (a) Terms of Reference

The Company has a Board Committee namely 'Corporate Social Responsibility Committee (CSR Committee)' as required under Section 135 of the Companies Act, 2013. The purpose of the Committee is to formulate and monitor the CSR policy of the Company.

The Company has adopted a CSR policy. The Committee is primarily responsible for formulating and recommending to the Board of Directors from time to time the CSR activities and the amount of expenditure to be incurred on the activities pertaining to CSR and monitoring CSR Projects. The CSR Policy of the Company has been placed on the Company's website [www.mawanasugars.com](http://www.mawanasugars.com).

#### (b) Composition

As at March 31, 2025, the CSR Committee of the Board comprises of three Directors. One Director is Executive and Non-Independent, and two Directors are Non-Executive and Independent Directors.

During the financial year ended March 31, 2025, the Committee held one meeting on May 25, 2024.

The Company Secretary acts as the secretary of the Committee.

The composition of the Committee and their attendance at the Committee meeting held is as under:

Sl.No.	Name of Member	Status	No. of Meetings Attended
1.	Ms. Anuradha Dutt	Chairperson	1
2.	Mr. Dharam Pal Sharma*	Member	1
3.	Mr. Rakesh Kumar Gangwar**	Member	-
4.	Mr. Satish Agrawal	Member	1

\* Ceased to be a member of the Committee w.e.f. August 12, 2024.

\*\*Appointed as a member of the Committee w.e.f. August 13, 2024.

### 8. Risk Management Committee

#### (a) Terms of Reference

The Company has a Board Committee namely 'Risk Management Committee' as required under Regulation 21 of SEBI (LODR) Regulations, 2015.

The Risk Management Committee is inter-alia responsible for risk identification, evaluation and mitigation and control process for such risks, oversight of the Enterprise Risk Management System and internal control process; monitoring and reviewing risk management plan of the Company and reviewing the foreseeable trends that could significantly impact the Company's overall business objectives and mitigates thereof.

## ANNEXURE - 5 TO DIRECTORS' REPORT (Contd.)

### (b) Composition

As at March 31, 2025, the Risk Management Committee of the Board comprises of 4 Members. One Member is Executive and Non-Independent Director, two members are Non-Executive and Independent Directors, one member is employee of the Company.

No meetings of the Committee were held during the financial year. The composition of the Committee is as under:

Sl. No.	Name of the Member	Status
1.	Mr. Satish Agrawal	Chairman
2.	Ms. Anuradha Dutt	Member
3.	Mr. Dharam Pal Sharma*	Member
4.	Mr. Rakesh Kumar Gangwar	Member
5.	Mr. Vikash	Member - Employee

\* Ceased to be a member of the Committee w.e.f. August 12, 2024.

### 9. Policy for Prevention, Detection and Investigation of Frauds and Protection of Whistle Blowers

The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adoption of the highest standards of professionalism, honesty, integrity and ethical behavior. Towards this end, the Company has implemented a Whistle Blower Policy, with a view to provide a mechanism for employees and Directors of the Company to report instances of violations of laws, rules and regulations, unethical behavior, actual or suspected fraud or violation of the Company's code of conduct. The vigil mechanism also provides adequate safeguards against victimization of persons who use such mechanisms and also to ensure direct access to the Audit Committee in appropriate or exceptional cases.

### 10. General Body Meeting

#### (a). Details of the last three Annual General Meetings were held as under:

Financial Year	Location	Date & Time	Special Resolution Passed
2023-24	Through Video Conferencing at Plot No.3, Institutional Area, Sector-32, Gurugram – 122001, Haryana	July 6, 2024 & 11.00 A.M.	No special resolution was passed.
2022-23	Through Video Conferencing at Plot No.3, Institutional Area, Sector-32, Gurugram – 122001, Haryana	July 14, 2023 & 11.00 A.M.	No special resolution was passed.
2021-22	Through Video Conferencing at Plot No.3, Institutional Area, Sector-32, Gurugram – 122001, Haryana	September 29, 2022 & 11.00 A.M.	1. Appointment of Mr. Satish Agrawal (DIN - 00167589) as a Non-Executive and Non-Independent Director of the Company for a period of 5 years w.e.f. November 03, 2021 (1st term). 2. Appointment of Mr. Arun Kumar Kaul (DIN - 09127653) as a Non-Executive and Independent Director of the Company for a period of 5 years w.e.f. August 10, 2022 (1st term). 3. Re-appointment and payment of Remuneration to Mr. Dharam Pal Sharma, Whole Time Director of the Company for a period of two years w.e.f. August 13, 2022.

## ANNEXURE - 5 TO DIRECTORS' REPORT (Contd.)

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### (b) Resolution passed through Postal Ballot

During the financial year ended March 31, 2025, the following resolutions were passed through Postal Ballot:

Sl. No.	Type of Resolution	Subject of the Resolution	Date of passing by Shareholders	Vote cast in favour (%)
1.	Ordinary	Appointment of Mr. Rakesh Kumar Gangwar (DIN: 09485856) as Director of the Company.	September 22, 2024	99.99
2.	Special	Appointment of Mr. Rakesh Kumar Gangwar (DIN: 09485856) as Managing Director of the Company w.e.f. August 13, 2024 for a period of 5 years and payment of remuneration for a period of 1 (One) year w.e.f. August 13, 2024 to August 12, 2025.	September 22, 2024	99.99

As permitted by MCA vide its circular(s) September 25, 2023 and September 19, 2024, the aforesaid postal ballot process was conducted only through electronic mode. Notice of postal ballot was dispatched to those shareholders whose names appeared on the Register of Members/ list of beneficial owners as on the cut-off date. The Company engaged National Securities Depository Limited (NSDL) as the e-voting agency for the said postal ballot process.

Further, the Company had appointed M/s Nirbhay Kumar & Associates (Peer Review Certificate No. 2441/2022), Practicing Company Secretaries, as the Scrutinizer for conducting the aforesaid postal ballot process in a fair and transparent manner. Upon the conclusion of the remote e-voting period, the results of the postal ballot were duly announced, submitted to the stock exchanges, and uploaded on the Company's website at [www.mawanasugars.com](http://www.mawanasugars.com).

(c) There is no item in the Notice for the forthcoming Annual General Meeting that is proposed to be passed through Postal Ballot.

## 11. Means of Communication

### (a) Quarterly results

The Quarterly unaudited/Annual Audited Results are published in national and local newspapers, namely, The Business Standard (English and Hindi), having wide circulation. Since the Results of the Company are published in the newspapers, half-yearly reports are not sent individually to the shareholders.

### (b) Website

The Company maintains a separate dedicated section viz. "Investors" for the information of shareholders and other stakeholders of the Company on the Company's website [www.mawanasugars.com](http://www.mawanasugars.com). Quarterly/ Half-yearly/ Annual Financial Results, Annual Reports, various applicable policies of the Company and other required details are available on the Company's website.

### (c) Stock Exchange

The Company makes timely the disclosures of necessary information to BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE) in terms of the Listing Agreement(s) and other rules and regulations issued by SEBI.

### (d) NEAPS (NSE Electronic Application Processing System)

NEAPS is a web-based application designed by NSE for corporates. All Governance Report, Corporate Announcements, amongst others are filed electronically through NEAPS.

### (e) BSE Corporate Compliance and Listing Centre

BSE Listing is a web-based application designed by BSE for corporates. All periodical compliance filings, inter- alia, Shareholding Pattern, Corporate Governance Report, Corporate announcements, amongst others are filed electronically on the Listing Centre.

### (f) SEBI Complaints Redressal System (SCORES)

The investor complaints are processed in a centralized web-based complaints redressal system.

### (g) Online Dispute Resolution (ODR):

SEBI vide its circular dated July 13, 2023 read with circular dated August 4, 2023 has introduced a common Online Dispute Resolution (ODR) mechanism to facilitate online resolution of all kinds of disputes arising in the Indian securities market. Investors to follow: Level 1 – to raise complaints with RTA or Company; Level 2 –SEBI Complaints Redress (SCORES) online portal and Level 3 – ODR website platform.

## ANNEXURE - 5 TO DIRECTORS' REPORT (Contd.)

Without having to go through SCORES portal, investor/client can directly initiate dispute resolution through the ODR Portal if the grievance lodged with the concerned company was not satisfactorily resolved, provided the complaint/dispute is not under consideration in SCORES portal or not pending before any arbitral process, court, tribunal or consumer forum or are non-arbitrable in terms of Indian law.

### (h) Institutional Investors

There were no presentations made to institutional investors or to the analysts.

(i) A Management Discussion and Analysis report is annexed to the Directors' Report and forms a part of the Annual Report.

## 12. General Shareholders' Information

(a) Annual General Meeting is proposed to be held on Saturday, the 28<sup>th</sup> day of June, 2025 at 11.00A.M. through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM").

(b) Financial Year: 1st April to 31st March.

(c) Dividend:

For the financial year 2024-25, the Company has declared an Interim Dividend and recommended Final Dividend, subject to approval of the shareholders at the ensuing AGM, details of which are as under:

Sl. No.	Particulars	Amount paid per equity share of face value of Rs.10/- each (Rs.)	Date of declaration	Date of payment
1.	Interim Dividend	3.00	November 09, 2024	November 29, 2024
2.	Final Dividend*	1.00	June 28, 2025	Within 30 days of AGM

\* The Final Dividend, if declared in the ensuing AGM, will be paid within 30 days of the date of declaration to those members whose names appear in the Register of Members on the record date.

(d) Date of Record Date : June 21, 2025

(e) Listing on Stock Exchanges:

The names of Stock Exchanges at which Company's Shares are listed, Symbol/Scrip Code and status of payment of listing fees are as under:

Name of the Stock Exchanges	Script symbol/ code	Status of fee paid
National Stock Exchange of India Ltd. Exchange Plaza, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai – 400051 (Physical & Demat)	MAWANASUG	Paid
BSE Limited (BSE), Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001 (Physical & Demat)	523371	Paid

Under the depository system, the ISIN allotted to the Company's Equity Shares of face value of Rs.10/- each is INE636A01039.

(f) Registrar and Share Transfer Agent

M/s Mas Services Limited is the Registrar and Share Transfer Agent for the shares of the Company – both in physical and electronic mode.

(g) Share Transfer System

The Company's shares are traded in the Stock Exchanges compulsorily in DEMAT mode, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Share Transfer Agent, M/s Mas Services Limited for assistance in this regard.

(h) Investors' Service

The Company has a system of attending and redressing all investors' grievances/ correspondence within a period of 10 days from the date of receipt of the same.

# Mawana Sugars Limited

## ANNEXURE - 5 TO DIRECTORS' REPORT (Contd.)

No complaints/grievances are pending as on date.

The RTA has taken significant steps to enhance investor services and streamline the service process. As part of this initiative, a dedicated Investor Service Page has been introduced within the investor login section of our website: [www.masserv.com](http://www.masserv.com).

We kindly request all shareholders to submit their service requests through the online portal, rather than emailing our investor grievances address [corporate@mawanasugars.com](mailto:corporate@mawanasugars.com). This new system is designed to ensure faster resolution, better tracking, and an improved overall experience for our investors.

### (i) Distribution of shareholding as on March 31, 2025

No. of Equity Shares held	Folios		Shares	
	Numbers	%	Numbers	%
Up to 500	53009	93.49	3302079	8.44
501-1000	1819	3.21	1452991	3.72
1001-2000	933	1.65	1375403	3.51
2001-3000	342	0.60	875137	2.24
3001-4000	127	0.22	454772	1.16
4001-5000	116	0.21	544526	1.39
5001-10000	199	0.35	1458603	3.73
10001 and above	153	0.27	29653353	75.81
<b>Total</b>	<b>56698</b>	<b>100.00</b>	<b>39116864</b>	<b>100.00</b>

### (j) Categories of shareholders as on March 31, 2025

Sl. No.	Category	No. of Shares held	% of shareholding
1.	Promoters' Shareholding	24835976	63.49
2.	Non-Promoter shareholding		
(a)	Mutual Funds/Financial Institutions/ Banks/ Insurance Companies/ Foreign Portfolio Investors/Foreign Direct Investment/State Government	199422	0.51
(b)	Bodies Corporate/Individuals/KMP/ Unclaimed Suspense A/c	13895284	35.52
(c)	Any Other (NRIs/OCBs/Clearing Member/ Trusts)	186182	0.48
	<b>Total</b>	<b>39116864</b>	<b>100.00</b>

### (k) Dematerialization of shares and liquidity

The shares of the Company are compulsorily traded in dematerialized form and are available for trading on both the Depository Systems in India – National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

As at March 31, 2025, a total of 3,86,65,634 equity shares of the Company, which forms 98.85 % of the equity share capital, stands dematerialized.

### (l) Plant Location:

- i) Mawana Sugar Works, Mawana, Distt. Meerut – 250402 (U.P.)
- ii) Nanglamal Sugar Complex, Garh Road, Village Nanglamal, Distt. Meerut – 250001 (U.P.)

### (m) Investors' correspondence may be addressed to:

Mr. N. K. Rastogi, Mas Services Limited, T-34, 2nd Floor, Okhla Industrial Area, Phase-II, New Delhi –110020, Phone No.: 011-26387281-83, Fax No. : 011-26387384, website: [www.masserv.com](http://www.masserv.com), E-mail: [investor@masserv.com](mailto:investor@masserv.com)

### (n) Credit Ratings:

Credit rating obtained for Long Term Facilities is CARE BBB: Stable (Triple B; Outlook: Stable) from CARE Ratings Limited and BBB: Stable (Triple B; Outlook: Stable) from ICRA Limited.

## ANNEXURE - 5 TO DIRECTORS' REPORT (Contd.)

### 13. Other Disclosures

- (a) All transactions entered into with Related Parties as defined under the Companies Act, 2013 and Regulation 23 of SEBI (LODR) Regulations, 2015, during the financial year were in the ordinary course of business and on an arm's length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with related parties during the financial year which was in conflict with the interest of the Company. Suitable disclosure as required Ind AS-24 has been made in the notes to the Financial Statements.
- (b) The financial statements have been prepared in accordance with applicable Accounting Standards and relevant presentational requirements of the Companies Act, 2013, as applicable, and are based on the historical cost convention.
- (c) The Company's Code of Conduct for Prevention of Insider Trading covers all its Directors, senior management personnel, persons forming part of promoter(s)/promoter group(s) and such other designated employees of the Company, who are expected to have access to Unpublished Price Sensitive Information ("UPSI") relating to the Company. The Directors, their relatives, senior management personnel, persons forming part of promoter(s)/ promoter group(s), designated employees etc. are restricted in purchasing, selling and dealing in the securities of the Company while in possession of UPSI about the Company as well as during certain periods. All the Directors, senior management personnel, persons forming part of promoter(s)/ promoter group(s) and other designated employees of the Company are restricted from entering into opposite transactions, i.e., buy or sell any number of shares during the next six months following the prior transaction. The Board of Directors have adopted the 'Mawana Sugars Limited' - Code of Conduct to Regulate, Monitor and Report Trading by Insiders' in line with SEBI (Prohibition of Insider Trading) Regulations, 2015. The Board has also approved the 'Mawana Sugars Limited- Code for Fair Disclosure' and the same posted on the Company's Website: [www.mawanasugars.com](http://www.mawanasugars.com).
- (d) There were no material instances of non-compliance by the Company, penalties, strictures imposed on the Company by stock exchange or SEBI or any statutory authority on any matter related to the capital markets, during the last three years.
- (e) The Company has established a Vigil Mechanism/Whistle Blower Policy as per the requirement of the SEBI Listing Regulations, 2015 and the Companies Act, 2013. It is affirmed that no personnel were denied access to the Board/ Audit Committee.
- (f) The Company is complying with all the mandatory requirements of SEBI Listing Regulations, 2015 as applicable.
- (g) The Company does not have any material subsidiary as defined under Regulation 24 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (h) The Company has formulated a Policy on dealing with Related Party transactions, which is also available on the Company's website [www.mawanasugars.com](http://www.mawanasugars.com).
- (i) The Company is not engaged in commodity trading on the Commodity Exchange/s.
- (j) The Company has not raised any funds through preferential allotment/qualified institutions placement as specified under Regulation 32(7A) of the SEBI (LODR) Regulations, during the year 2024-25.
- (k) The Company has obtained a certificate from M/s Nirbhay Kumar Associates, Practicing Company Secretaries, certifying that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any other statutory authority.
- (l) There has been no case where the Board did not accept any recommendation of any of the Committees of the Board.
- (m) The details of total fees for all services paid to the Statutory Auditors during the year ended March 31, 2025 are as below:

SI. No.	Particulars	Amount (Rs. Crore)
<b>As Auditors</b>		
1.	Audit fee (limited review of unaudited financial results)	0.64
2.	Tax audit fee	0.08
3.	Certification fees	0.03
4.	Out of pocket expenses	0.05
	<b>TOTAL</b>	<b>0.80</b>

## ANNEXURE - 5 TO DIRECTORS' REPORT (Contd.)

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- (n) Pursuant to the "Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013" read with Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Rules, 2013, the Company constituted Internal Complaints Committees at all its workplaces. There has not been any instance of complaint reported in this regard to any of the Committees.
- (o) The Company has not provided any loans and advances in the nature of loans to firms/companies in which any director is interested.

### 14. Code of Conduct

The Company has adopted a Code of Conduct for all Board Members and Senior Management Personnel of the Company in accordance with the requirements of Regulation 17(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. All the Board Members and the Senior Management Personnel have given affirmation of compliance with the said Code of Conduct for the financial year ended March 31, 2025. The Code of Conduct has been posted on the website of the Company.

### 15. MD/CFO Certification

Mr. Rakesh Kumar Gangwar, Managing Director and Mr. Vikash, Chief Financial Officer of the Company have furnished a certificate certifying the correctness of the financial statements for the financial year ended March 31, 2025 as per the format prescribed under SEBI (LODR), Regulations, 2015 was placed before the Board and the Board took the same on record.

### 16. Directors with materially pecuniary or business relationship with the Company

There has been no materially relevant pecuniary transaction or relationship between the Company and its non-executive and/or independent Directors for the period under report.

For & on behalf of the Board of Directors  
**Mawana Sugars Limited**

Place : New Delhi  
Dated : May 24, 2025

**(Krishna Shriram)**  
Chairman of the Board  
DIN: 00031783

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### DECLARATION

I, Rakesh Kumar Gangwar, Managing Director of the Company hereby declare that the Code of Conduct adopted by Mawana Sugars Limited for its Board Members and Senior Management Personnel have been duly complied by all Board Members and Senior Management Personnel of the Company.

Place : Gurugram  
Dated : May 24, 2025

**(Rakesh Kumar Gangwar)**  
Managing Director  
(DIN: 09485856)

## ANNEXURE - 5 TO DIRECTORS' REPORT (Contd.)

### INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE OF CORPORATE GOVERNANCE

Independent Auditor's Report on compliance with the conditions of Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

The Members of Mawana Sugars Limited  
5th floor, Kirti Mahal 19,  
Rajendra Place,  
New Delhi – 110125

- 1) The Corporate Governance Report prepared by Mawana Sugars Limited (hereinafter the "Company"), contains details as specified in regulations 17 to 27, clauses (b) to (i) and (t) of sub – regulation (2) of regulation 46 and para C, D, and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('Applicable criteria') for the year ended March 31, 2025 as required by the Company for annual submission to the Stock exchanges.

#### Management's Responsibility

- 2) The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
- 3) The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

#### Auditor's Responsibility

- 4) Pursuant to the requirements of the Listing Regulations, our responsibility is to provide a reasonable assurance in the form of an opinion whether, the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations.
- 5) We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
- 6) We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
- 7) The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. Summary of procedures performed include:
  - i. Read and understood the information prepared by the Company and included in its Corporate Governance Report;
  - ii. Obtained and verified that the composition of the Board of Directors with respect to executive and nonexecutive directors has been met throughout the reporting period;
  - iii. Obtained and read the Register of Directors as on March 31, 2025 and verified that atleast one independent woman director was on the Board of Directors throughout the year.
  - iv. Obtained and read the minutes of the following committee meetings / other meetings held April 01, 2024 to March 31, 2025:
    - (a) Board of Directors;
    - (b) Audit Committee;
    - (c) Annual General Meeting (AGM)/Postal Ballot;
    - (d) Nomination and Remuneration Committee;
    - (e) Stakeholders Relationship Committee;
    - (f) Corporate Social Responsibility Committee;

## ANNEXURE - 5 TO DIRECTORS' REPORT (Contd.)

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- v. Obtained necessary declarations from the directors of the Company.
- vi. Obtained and read the policy adopted by the Company for related party transactions.
- vii. Obtained the schedule of related party transactions during the year and balances at the year- end. Obtained and read the minutes of the audit committee meeting where in such related party transactions have been pre-approved by the audit committee.
- viii. Performed necessary inquiries with the management and also obtained necessary specific representations from management.

8) The above-mentioned procedures include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

### Opinion

9) Based on the procedures performed by us, as referred in paragraph 7 above, and according to the information and explanations given to us, we are of opinion that the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations, as applicable for the year ended March 31, 2025, referred to on paragraph 4 above.

### Other matters and Restriction on Use

10) This report is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

11) This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to compliance with the relevant regulations of Corporate Governance and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per **Amit Gupta**

Partner

Membership Number: 501396

UDIN: 25501396BMOWGG7204

**Place of Signature: Gurugram**

**Date: May 24, 2025**

## ANNEXURE - 5 TO DIRECTORS' REPORT (Contd.)

### CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
The Members,  
Mawana Sugars Limited  
(CIN: L74100DL1961PLC003413)  
5th Floor, Kirti Mahal,  
19, Rajendra Place,  
New Delhi- 110 125

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Mawana Sugars Limited having (CIN-L74100DL1961PLC003413) and having Registered Office at 5th Floor, Kirti Mahal, 19, Rajendra Place, New Delhi- 110125 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34 (3) read with Schedule V Para-C Sub clause 10 (i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on 31st March, 2025 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sl. No.	Name of the Director	DIN
1.	Mr. Krishna Shriram	00031783
2.	Ms. Anuradha Dutt	00145124
3.	Mr. Arun Kumar Kaul	09127653
4.	Mr. Mukesh Chauhan	09387262
5.	Mr. Rakesh Kumar Gangwar	09485856
6.	Mr. Satish Agrawal	00167589

Ensuring the eligibility of for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Nirbhay Kumar & Associates  
Company Secretaries

**Nirbhay Kumar**  
M. No.: 11946  
C.P. No.: 7887

**Place : New Delhi**  
**Date : May 16, 2025**  
UDIN : F011946G000356895

# Mawana Sugars Limited

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## ANNEXURE - 5 TO DIRECTORS' REPORT (Contd.)

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### CEO/CFO CERTIFICATION - FINANCIAL YEAR ENDED MARCH 31, 2025

The Board of Directors  
Mawana Sugars Limited  
5th Floor, Kirti Mahal, 19, Rajendra Place,  
New Delhi - 110125

We undersigned, in our respective capacities as Managing Director and Chief Financial Officer of Mawana Sugars Limited, to the best of our knowledge and belief, certify that:

- (a) We have reviewed the Balance Sheet, Profit and Loss Account, Cash Flow Statement and the Board's Report for the period from April 01, 2024 to March 31, 2025 and based upon our knowledge and information certify that: -
  - (i) These statements do not contain any untrue statement or omit any material fact or contain the statement that might be misleading,
  - (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards and other applicable laws and regulations.
- (b) There are, to best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's Code of Conduct.
- (c) We accept the responsibility for establishing and maintaining internal control for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. We have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or to take to rectify these deficiencies.
- (d) We have indicated to Auditors and the Audit Committee of the Board that there have been:
  - (1) no significant changes in internal control over the financial reporting during the period,
  - (2) no significant changes in accounting policies during the year and same have been disclosed in the notes to the Financial Statements.
  - (3) no instances of any fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system.

For Mawana Sugars Limited

Place: Gurugram  
Date: May 24, 2025

(Rakesh Kumar Gangwar)  
Managing Director  
(DIN: 09485856)

(Vikash)  
Chief Financial Officer

## ANNEXURE - 5 TO DIRECTORS' REPORT (Contd.)

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

#### SUGAR BUSINESS

##### Sugar Season 2024-25

Sugar season 2024-25 started with the Opening stock of 78 Lac Tons. All India Production of sugar is estimated to be around 264 Lac Tons (against initial estimates of 310 Lac Tons), anticipated domestic consumption of 280 Lac Tons and Exports of 8 Lac Tons. As a result, the closing stock of sugar as on September 30, 2025 is estimated to be around 54 Lac Tons which is sufficient for 2 months consumption. [Source: Indian Sugar & Bioenergy Manufacturers Association (ISMA)].

Sugar selling price during April 2024 to March 2025 moved in the range of Rs.3760-4100-4080/qlt. The price is expected to move in the range of around Rs.4000-4175/qlt levels during April – September,25 unless there is revision in the Government Policies relating to Minimum Support Price (MSP), revision in production numbers and Exports.

World sugar prices will continue to be driven by Crude (Sugar/ Ethanol Parity), Currency, tariff uncertainty and India's Export policy.

#### DISTILLERY BUSINESS

The average All-India blending percentage touched 18.36% in the tender year 2024-25 till March 31, 2025, OMCs have procured 369 Cr. Ltrs against the total requirement of 1054 Cr. Ltrs. Within this procurement, the sugar sector contributed 181.5 Cr. Ltrs, while the grain sector contributed the remaining 187.5 Cr. Ltrs. [Source: Indian Sugar & Bioenergy Manufacturers Association (ISMA)].

Against the Government target to achieve ethanol blending of 20% by 2025, the average All-India blending percentage touched 19.83 % in March 2025.

Nanglamal Distillery produced 29657 KL in the Financial Year 2024-25, and supplies to the Oil Marketing Companies are progressing well.

#### RISKS AND CONCERNs

Incidence/infestation of certain insect pests and diseases such as Top Borer, Early Shoot Borer, Red Rot etc. in sugar cane crop has been observed in last two-three years. The major impact of Top Borer is seen in CO-238 variety of cane which occupies the major portion of Company's cane area. Efforts are being made to control its incidence by integrated pest management techniques and also replacing the CO-238 cane variety in the coming years so that its impact in Company's command area could be minimized.

#### DETAILS OF SIGNIFICANT CHANGES

Details of significant changes as required under SEBI(LODR) Regulations, 2015 are as under:

Sl. No.	Particulars	As on March 31, 2025	As on March 31, 2024
1.	Debtors Turnover Ratio	38.75	37.77
2.	Inventory Turnover Ratio	1.37	1.47
3.	Interest Coverage Ratio	4.51	4.15
4.	Current Ratio	1.50	1.19
5.	Debt Equity Ratio	0.85	1.27
6.	Operating Profit Margin	6.88%	6.46%
7.	Net Profit Margin	4.94%	3.14%
8.	Return on Net Worth	15.19%	9.84%

Please refer to note no. 52 of Standalone Financial statements for variation in Key Financial Ratio.

#### INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has proper and adequate internal control systems which provide reasonable assurance regarding all financial and operating functions and compliance with statutory provisions.

The Company has an internal audit section besides an independent external Chartered Accountant's firm which undertakes internal audits throughout the year. The internal auditors' reports are regularly reviewed by Senior Management and Audit Committee of the Board for its implementation and effectiveness.

The Company endeavors to constantly upgrade internal controls and periodic evaluation of the same is being undertaken.

Use of SAP and other software systems have also resulted in strengthening the internal controls and accurate reporting of operational and financial data.

#### HUMAN RESOURCES

In the past fiscal year, our Human Resources department has been instrumental in driving initiatives aimed at fostering a positive work culture, nurturing talent, and aligning our workforce with the strategic goals of the organization. Through a range of programs and policies, we have focused on enhancing employee engagement, development, and well-being.

##### **Human Capability building and leadership pipeline:**

In line with our commitment to building human capability, we have launched the "UDAAN" initiative for 25 identified high-potential employees. These individuals have undergone a comprehensive Assessment and Development Center (ADC), which combines assessment techniques such as simulations and structured exercises with targeted development activities. The objective is to identify each participant's strengths and development areas, with the overarching goal of enhancing their current performance and preparing them for future roles and strengthen our leadership pipeline.

## ANNEXURE - 5 TO DIRECTORS' REPORT (Contd.)

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### **Talent Acquisition:**

Talent acquisition remains a strategic priority for Mawana Sugars. We have implemented robust recruitment strategies to attract top talent and ensure a diverse and inclusive workforce. Our efforts have included leveraging innovative recruitment methods, establishing partnerships with educational institutions and professional organizations, and prioritizing diversity and inclusion in all aspects of our hiring process.

### **Talent Development:**

Investing in the development of our employees remains a top priority. We have continued to provide comprehensive training and development programs to equip our workforce with the skills and knowledge necessary to excel in their roles and adapt to evolving business needs. Additionally, we have emphasized leadership development initiatives to cultivate a pipeline of future leaders within the organization.

### **Employee Engagement:**

We believe that engaged employees are key to our success, and therefore, we have prioritized initiatives to enhance employee engagement across the organization. This has included regular communication channels, employee feedback mechanisms, recognition programs, and opportunities for professional growth and development.

### **Diversity and Inclusion:**

Our commitment to diversity and inclusion is embedded in our corporate culture. We have taken proactive steps to

promote diversity and foster an inclusive work environment where all employees feel valued, respected, and empowered to contribute their unique perspectives. This has included diversity training, mentorship programs, and initiatives to ensure equitable opportunities for all employees.

### **Industrial Relations:**

Maintaining positive industrial relations is critical to fostering a harmonious and productive work environment and always been a cornerstone of our HR strategy. Through proactive engagement and a commitment to fairness and transparency, we have strengthened our industrial relations and built trust and mutual respect among all stakeholders.

In conclusion, our Human Resources activities reflect our ongoing dedication to fostering a supportive, inclusive, and high-performing workplace culture. We remain committed to investing in our greatest asset – our people – and supporting their growth and success now and in the future.

### **CAUTIONARY STATEMENT**

Some of the statements in this Management Discussions & Analysis, describing the Company's objectives, projections, estimates, expectations and predictions may be 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ from those expressed or implied. Important developments that could alter your Company's performance include change in material costs, technology developments and significant changes in political and economic environment, tax laws and labour relations.

## INDEPENDENT AUDITOR'S REPORT

### To the Members of Mawana Sugars Limited

### Report on the Audit of the Standalone Financial Statements

#### Opinion

We have audited the standalone financial statements of Mawana Sugars Limited ("the Company"), which comprise the Balance sheet as at March 31, 2025, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs), as specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Statements' section of our report. We are independent of the

Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2025. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Key audit matters	How our audit addressed the key audit matter
<b>Sale of investments in subsidiaries</b> (as described in Note 50 of the standalone financial statements) <p>During the year, the Company sold all the investments held in two subsidiaries, Siel Infrastructure and Estate Developers Private Limited (Siel IED) and Siel Industrial Estate Limited (Siel IE) for a consideration of Rs. 107.50 crore and recorded a net gain of Rs. 22.99 crore which has been disclosed as an exceptional item. The net assets of these subsidiaries primarily comprised of a land parcel. The sales consideration for the purposes of computation of income tax payable on the abovesaid transaction was determined at Rs. 266.34 crore based on prevailing stamp duty rate of land parcel.</p> <p>Further, the determination of cost of acquisition required detailed assessment of relevant provisions of Income -tax Act, 1961 since it considered intra-group transactions between the Company and these subsidiaries undertaken in earlier years.</p> <p>Considering the significance of the transaction and the complexities / judgements/ estimates involved as stated above, the sale of investments and consequential impact thereof has been considered a key audit matter.</p>	<p>Our audit procedures included the following: -</p> <ul style="list-style-type: none"> <li>• We obtained and read the board minutes, the minutes of sub-committee of independent directors (who oversaw the sale process) along with periodic filings made to the stock exchanges</li> <li>• We read the share purchase agreement with the buyer.</li> <li>• We obtained and reviewed the terms of MOU with Department of Industries &amp; Commerce, Government of Punjab stipulating development of industrial estate on the land held by the subsidiaries by October 04, 2024 (extended period) and there was no further extension in place at the time of sale.</li> <li>• We obtained the sale process report of an external international property consultant expert who was mandated to run the sale process and performed enquiries with the management's expert to gain understanding of the process followed to determine the fair value of shares of the subsidiaries.</li> <li>• We involved our tax experts to review the opinions obtained by the management from external experts on taxability and computation of capital gain, cost of acquisition and calculation of income tax on capital gain.</li> </ul>

## INDEPENDENT AUDITOR'S REPORT (Contd.)

Key audit matters	How our audit addressed the key audit matter
<b>Sale of investments in subsidiaries</b> (as described in Note 50 of the standalone financial statements)	
	<ul style="list-style-type: none"> <li>• We obtained the report from Company's external valuation specialist to evaluate the methodology and key assumptions considered by management's expert to determine the fair value of investments.</li> <li>• We performed enquiries and obtained necessary representations from the management and those charged with governance.</li> <li>• We evaluated the accounting treatment followed by the management and adequacy of disclosures as per the applicable accounting standards.</li> </ul>
<b>Determination of valuation of inventory of sugar as at March 31, 2025</b> (as described in note 51 of the standalone financial statements)	
<p>As at March 31, 2025, the Company is carrying inventory of sugar (finished goods and work in progress) amounting to Rs. 719.50 crore. The inventories are valued in accordance with company's accounting policies described in note 2.2(xi) to the financial statements.</p> <p>The relative size of the inventory of sugar as at March 31, 2025 is significant to the financial statements and significant judgements are involved in determining:</p> <p>(i) cost of inventory which is based on factors such as cost of by-products credit which is based on its net realisable value,</p> <p>(ii) the net realizable value of closing inventory of sugar.</p> <p>Accordingly, valuation of inventory of sugar was determined to be a key audit matter in our audit of the standalone financial statements.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>• We have read and assessed the Company's accounting policies with respect to inventory valuation for compliance with relevant accounting standards.</li> <li>• We have evaluated the design and tested the operating effectiveness of controls established by the management in determination of valuation of inventory of sugar.</li> <li>• We tested the method used by the Company for arriving at the cost of inventory of sugar.</li> <li>• We have evaluated the appropriateness of data used by the management in determining the net realisable value of inventory of sugar.</li> <li>• We tested the mathematical accuracy of the calculations used for determining the cost of inventory of sugar.</li> <li>• We considered various factors including actual selling price prevailing around and subsequent to the year end, monthly quota and other notifications of the Government of India with respect to sugar industry as a whole while assessing the net realizable value.</li> <li>• We have assessed the disclosures included to the standalone financial statements in this regard.</li> </ul>

### Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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

## INDEPENDENT AUDITOR'S REPORT (Contd.)

of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

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

or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2025 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of Sub-Section (11) of Section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph (i)(vi) below on reporting under Rule 11(g);
  - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - (e) On the basis of the written representations received from the directors as on March 31, 2025 taken on

## INDEPENDENT AUDITOR'S REPORT (Contd.)

record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph (b) above on reporting under Section 143(3)(b) and paragraph (i)(vi) below on reporting under Rule 11(g);

(g) With respect to the adequacy of the internal financial controls with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

(h) In our opinion, the managerial remuneration payable to the Managing Director for the year ended March 31, 2025, which exceeded the limits specified under Section 197 read with Schedule V of the Companies Act, 2013, has been approved by the shareholders of the Company through a special resolution for the period from August 13, 2024 to August 12, 2025.

(i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

- The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 32.B(b), 41, 46 and 48 to the standalone financial statements;
- The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any

manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with Section 123 of the Act to the extent it applies to payment of dividend. The interim dividend declared and paid by the Company during the year and until the date of this audit report is in accordance with Section 123 of the Act.

As stated in note 12.1(d) to the standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

vi. The Company has migrated to SAP Rise from SAP ECC 6.0 during the year. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that, as described in note 57 to the standalone financial statements, audit trail feature is not enabled for certain changes that can be made using certain privileged/administrative access rights. Further, audit trail feature was not enabled at database level for SAP ECC 6.0 for part of the year. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in the abovesaid software except in respect of privileged/administrative access rights / database level in SAP ECC 6.0. Additionally, the audit trail of prior year has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in the prior year.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per **Amit Gupta**

Partner

Membership Number: 501396

UDIN: 25501396BMOWGE3217

**Place of Signature: Gurugram**

**Date: May 24, 2025**

## INDEPENDENT AUDITOR'S REPORT (Contd.)

### Annexure 1 referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: Mawana Sugars Limited ("the Company")

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
- (B) The Company has maintained proper records showing full particulars of intangibles assets.
- (b) The Company has a program of verification of fixed assets to cover all the items in a phased manner over a period of three years which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were identified on such verification.
- (c) According to the information and explanations given by the management, the title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.
- (d) The Company has not revalued its Property, plant and equipment (including Right of use assets) or intangible assets during the year ended March 31, 2025.
- (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion, the coverage and the procedure of such verification by the management is appropriate. No material discrepancies were noted on such physical verification.
- (b) As disclosed in note 54 to the financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from a bank during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the financial statements, the quarterly returns/statements filed by the Company with such bank are in agreement with the books of accounts of the Company.

- (iii) (a) During the year, the Company has provided loan to a subsidiary company as follows:

Particulars	Loan amount (Rs. Crore)
Aggregate amount granted/provided during the year (including renewal of loan)	
- Subsidiary (till October 11, 2024)	0.80
Balance outstanding as at balance sheet date in respect of above cases	
- Subsidiary (till October 11, 2024)	-

During the year, the Company has not provided any other loans, advances in the nature of loans, stood guarantee and provided security to companies, firms, Limited Liability Partnerships or any other parties.

- (b) During the year, the terms and conditions of the loan granted are not prejudicial to the Company's interest.

Also, during the year, the Company has not made investments and not provided guarantee, security or granted advances in the nature of loans to companies, firms, Limited Liability Partnerships, or any other parties.

- (c) The Company has granted loan during the year to Siel Industrial Estate Limited (subsidiary till October 11, 2024) where the schedule of repayment of principal and payment of interest was stipulated. The said loan has been fully repaid during the year.

The Company has not granted loans and advances in the nature of loans to firms, Limited Liability Partnerships or any other parties.

- (d) There are no amounts of loans granted to a subsidiary company which are overdue for more than ninety days.

- (e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

- (f) As disclosed in note 6.2 to the financial statements, the Company had granted a loan, either repayable on demand or without specifying any terms or period of repayment to companies. Of these following are the details of the aggregate amount of loans granted to promoters or related parties as defined in clause (76) of section 2 of the Companies Act, 2013:

# Mawana Sugars Limited

## INDEPENDENT AUDITOR'S REPORT (Contd.)

Particulars	All parties Amount (Rs. crore)	Related parties Amount (Rs. crore)
Aggregate amount of loans - Repayable on demand* - Agreement does not specify any terms or period of repayment	1.00 - -	1.00 - -
Percentage of loans/ advances in nature of loans to the total loans	10.53%	10.53%

\*The said loan has been repaid by the subsidiary during the year.

The Company has not granted any other loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to firms, Limited Liability partnerships or any other parties.

(iv) In our opinion and according to the information and explanations given to us, provisions of Sections 185 and 186 of the Companies Act 2013 in respect of loans to directors including entities in which they are interested and in respect of loans and advances given and investments made have been complied with by the Company. The Company has not given any guarantees

or securities in respect of entities covered under Section 185 and 186 of the Companies Act, 2013.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of Sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 148(1) of the Act, related to the manufacture of its products, and are of the opinion that *prima facie*, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess and other statutory dues applicable to it.

According to the information and explanations given to us, no undisputed dues in respect of provident fund, employees' state insurance, income-tax, service tax, sales tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues which were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) The dues of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess, and other statutory dues have not been deposited on account of any dispute, are as follows:

Nature of Statute	Nature of Dues	Amount (Rs. crore)	Amount Paid under protest (Rs. crore)	Period to which the Amount relate	Forum where dispute is pending
Central Sales Tax Act, 1956	Sales Tax	7.92	1.92	2012-13, 2013-14	High Court
Central Excise Act, 1944	Service Tax	0.78	#	2005-2006 to 2014-15	Appellate Authority up to Commissioner's level
Central Excise Act, 1944	Excise Duty	8.55	0.02	1994-95 to 1996-97, 1998-99, 1999-00, 2001-02 and 2004-05 to 2016-17, 2019-20 to 2020-21	Appellate Authority up to Commissioner's level
Income tax Act, 1961	Income tax (including interest)	19.15	9.26	2016-17	Commissioner of Income Tax (Appeals)
Employees' Provident Funds & Miscellaneous Provisions Act, 1952	Provident Fund	1.62	-	1996-2020	Employee Provident Fund Appellate Tribunal

#(represent Rs. 30,000)

## INDEPENDENT AUDITOR'S REPORT (Contd.)

Nature of Statute	Nature of Dues	Amount (Rs. crore)	Amount Paid under protest (Rs. crore)	Period to which the Amount relate	Forum where dispute is pending
Employee State Insurance Act, 1948	ESI (Including Interest)	1.32	-	1968-88	Delhi High Court

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) Term loans were applied for the purpose for which the loans were obtained.

(d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or associate.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or in associate company. Accordingly, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.

(x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments). Accordingly, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit. Accordingly, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) No material fraud by the Company or no material fraud on the Company has been noticed or reported during the year.

(b) During the year, no report under Sub-Section (12) of Section 143 of the Companies Act, 2013 has been filed by cost auditor/ secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) (a), (b) and (c) The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), (b) and (c) of the Order is not applicable to the Company.

(xiii) Transactions with the related parties are in compliance with Sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.

(b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

(xv) The Company has not entered any non-cash transactions with its directors or persons connected with its directors. Accordingly requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(xvi) (a) The provisions of Section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.

(b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtained a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

(c) and (d) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) and (d) of the Order is not applicable to the Company.

(xvii) The Company has not incurred cash losses in the current year and in the immediately preceding financial year respectively.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

## INDEPENDENT AUDITOR'S REPORT (Contd.)

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(xix) On the basis of the financial ratios disclosed in note 52 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) and (b) As disclosed in Note 56 to the standalone financial statements and based on the legal assessment, the Company is not required to spend any amount during the current year pursuant to its Corporate Social Responsibility Policy as required by the Section 135(5) of the Companies Act. Accordingly, the requirement to report on clause 3(xx)(a) and (b) of the Order are not applicable to the Company.

(xxi) The requirement to report on clause 3(xxi) of the Order is not applicable to the standalone financial statements of the Company.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per **Amit Gupta**

Partner

Membership Number: 501396

UDIN: 25501396BMOWGE3217

**Place of Signature: Gurugram**

**Date: May 24, 2025**

## INDEPENDENT AUDITOR'S REPORT (Contd.)

### ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF MAWANA SUGARS LIMITED

#### Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone financial statements of Mawana Sugars Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to these standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is

sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these standalone financial statements.

#### Meaning of Internal Financial Controls With Reference to these Standalone Financial Statements

A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### Inherent Limitations of Internal Financial Controls With Reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per **Amit Gupta**

Partner

Membership Number: 501396

UDIN: 25501396BMOWGE3217

**Place of Signature: Gurugram**

**Date: May 24, 2025**

# Mawana Sugars Limited

## STANDALONE BALANCE SHEET AS AT MARCH 31, 2025

		Notes	Rs. Crore		
			As at March 31, 2025	As at March 31, 2024	
<b>ASSETS</b>					
<b>(1) Non-current assets</b>					
Property, plant and equipment	3	188.64	203.11		
Capital work in progress	3	0.32	0.55		
Intangible assets	4	5.98	-		
Right of use assets	5	0.81	0.50		
Financial assets					
- Investments	6.1	3.65	85.34		
- Loans	6.2	-	7.70		
- Other financial assets	6.3	1.05	0.68		
Income tax assets	20	2.09	1.37		
Deferred tax assets (net)	19	0.84	13.50		
Other non-current assets	7	3.58	0.96		
<b>Total Non-current assets</b>		<b>206.96</b>	<b>313.71</b>		
<b>(2) Current assets</b>					
Inventories	8	820.40	819.64		
Financial assets					
- Trade receivables	9	35.38	39.21		
- Cash and cash equivalents	10	6.10	9.98		
- Other Bank Balances	11	13.91	14.87		
- Loans	6.2	-	1.00		
- Other financial assets	6.3	3.53	3.63		
Other current assets	7	7.66	9.30		
<b>Total current assets</b>		<b>886.98</b>	<b>897.63</b>		
<b>Total Assets</b>		<b>1,093.94</b>	<b>1,211.34</b>		
<b>EQUITY AND LIABILITIES</b>					
<b>Equity</b>					
Equity share capital	12.1	39.12	39.12		
Other equity	12.2	452.94	409.27		
<b>Total equity</b>		<b>492.06</b>	<b>448.39</b>		
<b>LIABILITIES</b>					
<b>(1) Non-current liabilities</b>					
Financial liabilities					
- Borrowings	13.1	-	-		
- Lease liabilities	14.1	0.41	0.07		
Provisions	15.1	10.23	9.79		
<b>Total non-current liabilities</b>		<b>10.64</b>	<b>9.86</b>		
<b>(2) Current liabilities</b>					
Financial liabilities					
- Borrowings	13.2	418.13	567.53		
- Lease liabilities	14.2	0.44	0.52		
- Trade payables					
- Total outstanding dues to micro and small enterprises	16	2.50	6.54		
- Total outstanding dues of creditors other than micro and small enterprises	16	131.50	143.80		
- Other financial liabilities	17	14.34	9.89		
Other current liabilities	18	19.82	19.13		
Provisions	15.2	4.51	4.16		
Current tax liabilities (net)	21	-	1.52		
<b>Total current liabilities</b>		<b>591.24</b>	<b>753.09</b>		
<b>Total liabilities</b>		<b>601.88</b>	<b>762.95</b>		
<b>Total equity and liabilities</b>		<b>1,093.94</b>	<b>1,211.34</b>		

Summary of material accounting policies

2

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached

For and on behalf of the Board of Directors  
of Mawana Sugars Limited

For **S.R.Batlboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration No.: 301003E/E300005

per **AMIT GUPTA**

Partner

Membership No. : 501396

**VIKASH**

Chief Financial Officer

**Place: Gurugram**

**MUKESH CHAUHAN**

Director

(DIN: 09387262)

**Place: Gurugram**

**Place: Gurugram**

Date: May 24, 2025

**ASHOK KUMAR SHUKLA**

Company Secretary  
(Membership No. ACS-29673)

**Place: Gurugram**

**RAKESH KUMAR GANGWAR**

Managing Director  
(DIN: 09485856)

**Place: Gurugram**

**STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2025**

	Notes	Year ended March 31, 2025	Rs. Crore Year ended March 31, 2024
<b>I Income</b>			
Revenue from operations	22	1,445.09	1,355.09
Other income	23	9.93	29.30
<b>Total income (I)</b>		<b>1,455.02</b>	<b>1,384.39</b>
<b>II Expenses</b>			
Cost of raw materials consumed	24	1,117.51	1,243.87
Purchase of stock-in-trade		11.27	12.05
Changes in inventories of finished goods, stock-in-trade and work-in-progress	25	(3.96)	(189.27)
Employee benefits expenses	26	87.35	80.73
Finance costs	27	29.51	29.60
Depreciation and amortisation expense	28	33.50	35.30
Other expenses	29	109.89	114.13
<b>Total expenses (II)</b>		<b>1,385.07</b>	<b>1,326.41</b>
<b>III Profit before tax and exceptional items (I-II)</b>		<b>69.95</b>	<b>57.98</b>
<b>IV Exceptional Items - Income (net)</b>	30	<b>21.39</b>	<b>-</b>
<b>V Profit before tax (III+IV)</b>		<b>91.34</b>	<b>57.98</b>
<b>VI Tax expense:</b>			
Current tax	19	7.17	-
Adjustment in respect of deferred tax relating to earlier years	19	0.11	(0.07)
Deferred tax charge	19	12.66	15.46
<b>Total tax expense (VI)</b>		<b>19.94</b>	<b>15.39</b>
<b>VII Profit for the year (V-VI)</b>		<b>71.40</b>	<b>42.59</b>
<b>VIII Other Comprehensive Income</b>			
<b>Items that will not to be reclassified to statement of profit or loss in subsequent years</b>			
Re-measurement gain/(loss) on defined benefit plans	35	(0.47)	0.01
Income tax effect credit/(charge)	19	0.12	#
<b>Other Comprehensive Income, net of tax</b>		<b>(0.35)</b>	<b>0.01</b>
<b>IX Total comprehensive income of the year {Comprising profit and other comprehensive income for the year} (VII+VIII)</b>		<b>71.05</b>	<b>42.60</b>
<b>X Earnings per equity share {Nominal value of share Rs. 10 (March 31, 2024-Rs.10/-)}</b>			
Basic and Diluted	31	18.25	10.89

# represent amount less than Rs. 50,000/-

Summary of material accounting policies

2

**The accompanying notes form an integral part of the standalone financial statements**

As per our report of even date attached

For **S.R.Batlboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration No.: 301003E/E300005

per **AMIT GUPTA**

Partner

Membership No. : 501396

Place: Gurugram

Date: May 24, 2025

**VIKASH**

Chief Financial Officer

Place: Gurugram

**ASHOK KUMAR SHUKLA**

Company Secretary

(Membership No. ACS-29673)

Place: Gurugram

**MUKESH CHAUHAN**

Director

(DIN: 09387262)

Place: Gurugram

**RAKESH KUMAR GANGWAR**

Managing Director

(DIN: 09485856)

Place: Gurugram

# Mawana Sugars Limited

## STANDALONE STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2025

		Rs. Crore
	Year ended March 31, 2025	Year ended March 31, 2024
<b>A. Cash flow from operating activities :</b>		
Profit before tax	91.34	57.98
<b>Add :</b> Depreciation and amortisation expense	33.50	35.30
Interest expenses	29.51	29.60
Impairment allowance for doubtful debts, capital advances and other assets (net)	-	0.06
Irrecoverable balances written off	0.01	0.16
Impairment allowance on investment (exceptional item)	1.60	-
<b>Less :</b> Interest income	2.69	3.27
Liabilities / provision no longer required written back	0.01	2.58
Profit on sale of non-current investments (exceptional item)	22.99	-
Recovery of advances written off in earlier years	-	0.13
Profit on disposal of property, plant and equipment (net)	0.03	23.01
<b>Operating profit before working capital changes</b>	<b>130.24</b>	<b>94.11</b>
<u>Changes in working capital:</u>		
<b>Adjustments for (increase) / decrease in operating assets:</b>		
Inventories	(0.76)	(190.09)
Trade receivables	3.82	(6.61)
Financial assets	(0.10)	(2.23)
Other assets	1.85	(0.37)
<b>Adjustments for increase / (decrease) in operating liabilities:</b>		
Trade payables	(16.31)	(50.80)
Provisions	0.32	(0.01)
Other financials liabilities	4.04	(6.61)
Other liabilities	0.44	(0.01)
<b>Cash from/(used in) operations</b>	<b>123.54</b>	<b>(162.62)</b>
Direct taxes paid	(9.41)	(1.28)
<b>Net cash flow from/(used in) operating activities (A)</b>	<b>114.13</b>	<b>(163.90)</b>
<b>B. Cash flow from investing activities :</b>		
Purchase of property, plant and equipment	(21.26)	(30.18)
Proceeds from sale of property, plant and equipment	0.04	28.21
Purchase of intangible assets	(5.98)	-
Fixed deposits placed	(14.00)	4.86
Fixed deposits matured	15.00	-
Loan given to subsidiary	(0.80)	(0.50)
Proceeds from repayment of loan by subsidiary	9.50	-
Payment made towards acquisition of subsidiary	(2.42)	-
Proceeds from sale of investment in subsidiaries (net of commission)	106.33	-
Interest received	2.01	1.71
<b>Net cash from investing activities (B)</b>	<b>88.42</b>	<b>4.10</b>
<b>C. Cash flow from financing activities :</b>		
Repayment of long term borrowings - secured	(4.83)	(34.83)
Dividend paid	(27.38)	(11.73)
Net (repayment)/proceeds in working capital borrowings	(144.64)	219.06
Lease payments	(0.52)	(0.45)
Interest on lease payments	(0.04)	(0.09)
Interest paid	(29.02)	(28.56)
<b>Net cash flow (used in)/generated from financing activities (C)</b>	<b>(206.43)</b>	<b>143.40</b>
<b>D. Net (decrease) in Cash and cash equivalents (A+B+C)</b>	<b>(3.88)</b>	<b>(16.40)</b>
<b>E. Cash and cash equivalents at the beginning of the year</b>	<b>9.98</b>	<b>26.38</b>
<b>F. Cash and cash equivalents at the end of the year (D+E)</b>	<b>6.10</b>	<b>9.98</b>

**STANDALONE STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)**

	Rs. Crore	
	As at March 31, 2025	As at March 31, 2024
<b>Cash and Cash Equivalent</b>		
Balances with banks:		
- Current accounts	6.07	6.92
Cash on hand	0.03	0.06
Fixed deposits with banks (with original maturity of three months or less)	-	3.00
<b>Total cash and cash equivalents</b>	<b>6.10</b>	<b>9.98</b>

**Notes :**

1. The Cash Flow Statement has been prepared under the indirect method as set out in Indian Accounting Standard (IndAS-7) "Statement of Cash Flow".
2. Negative figures have been shown in brackets.

Summary of material accounting policies 2

**The accompanying notes form an integral part of the standalone financial statements**

As per our report of even date attached

For and on behalf of the Board of Directors  
of **Mawana Sugars Limited**

For **S.R.Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration No.: 301003E/E300005

per **AMIT GUPTA**

Partner

Membership No. : 501396

**VIKASH**

Chief Financial Officer

**Place: Gurugram**

**MUKESH CHAUHAN**

Director

(DIN: 09387262)

**Place: Gurugram**

**Place: Gurugram**

**Date: May 24, 2025**

**ASHOK KUMAR SHUKLA**

Company Secretary

(Membership No. ACS-29673)

**Place: Gurugram**

**RAKESH KUMAR GANGWAR**

Managing Director

(DIN: 09485856)

**Place: Gurugram**

# Mawana Sugars Limited

## STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2025

Rs. Crore

	Equity Share Capital	Other Equity						Total Equity	
		Reserves and surplus					Total Other Equity		
		Securities premium*	Capital redemption reserve*	Capital reserve*	Retained earnings	Storage fund for molasses account*			
<b>As at April 01, 2023</b>	<b>39.12</b>	<b>149.50</b>	<b>8.77</b>	<b>103.02</b>	<b>116.12</b>	<b>0.99</b>	<b>378.40</b>	<b>417.52</b>	
Add: Profit for the year	-	-	-	-	42.59	-	42.59	42.59	
Less : Dividend paid during the year	-	-	-	-	(11.73)	-	(11.73)	(11.73)	
Add: Transfer to/(from) storage fund for molasses	-	-	-	-	(0.28)	0.28	-	-	
Add: Remeasurement gain/(loss) of defined benefit obligation (net of tax)	-	-	-	-	0.01	-	0.01	0.01	
<b>As at March 31, 2024</b>	<b>39.12</b>	<b>149.50</b>	<b>8.77</b>	<b>103.02</b>	<b>146.71</b>	<b>1.27</b>	<b>409.27</b>	<b>448.39</b>	
Add: Profit for the year	-	-	-	-	71.40	-	71.40	71.40	
Less : Dividend paid during the year	-	-	-	-	(27.38)	-	(27.38)	(27.38)	
Add: Transfer to/(from) storage fund for molasses	-	-	-	-	(0.28)	0.28	-	-	
Add: Remeasurement gain/(loss) of defined benefit obligation (net of tax)	-	-	-	-	(0.35)	-	(0.35)	(0.35)	
<b>As at March 31, 2025</b>	<b>39.12</b>	<b>149.50</b>	<b>8.77</b>	<b>103.02</b>	<b>190.10</b>	<b>1.55</b>	<b>452.94</b>	<b>492.06</b>	

\*Refer note 12.2

Summary of material accounting policies (Refer note 2)

**The accompanying notes form an integral part of the standalone financial statements**

As per our report of even date attached

For **S.R.Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration No.: 301003E/E300005

per **AMIT GUPTA**

Partner

Membership No. : 501396

**Place: Gurugram**

**Date: May 24, 2025**

For and on behalf of the Board of Directors

of **Mawana Sugars Limited**

**VIKASH**

Chief Financial Officer

**Place: Gurugram**

**MUKESH CHAUHAN**

Director

(DIN: 09387262)

**Place: Gurugram**

**ASHOK KUMAR SHUKLA**

Company Secretary

(Membership No. ACS-29673)

**Place: Gurugram**

**RAKESH KUMAR GANGWAR**

Managing Director

(DIN: 09485856)

**Place: Gurugram**

## NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

### 1. Company Overview

Mawana Sugars Limited ('the Company') is a public limited Company domiciled and incorporated in India under the provisions of the Companies Act, 2013. Its shares are listed on two recognized stock exchanges in India. The registered office of the Company is situated at 5<sup>th</sup> floor, Kirti Mahal, 19 Rajendra Place, New Delhi 110008. As at March 31, 2025, Mr. Krishna Shriram (including shares held as trustee of Enterprise Trust) owns 63.49% of equity share capital of the Company.

Major products along with principal places of business of the Company are as under:

Products	Principal Places
Sugar (Sugar and Power)	Mawana Sugars Works, Uttar Pradesh Nanglamal Sugar Complex, Uttar Pradesh
Industrial Alcohol (Ethanol)	Nanglamal Sugar Complex, Uttar Pradesh

The standalone financial statements were approved by the Board of Directors and authorised for issue on May 24, 2025.

### 2. Material accounting policies

The accounting policies, as set out below, have been consistently applied, by the Company, to all the years presented in the financial statements.

#### 2.1 Basis of preparation

The separate financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the financial statement.

The financial statements have been prepared on an accrual basis and under the historical cost basis, except for the following assets and liabilities which have been measured at fair value-

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments),
- Defined benefit plans – plan assets measured at fair value,
- Investment in other debt instruments (i.e. preference shares)

The preparation of financial statements requires the use of certain significant accounting estimates and judgements. It also requires the management to exercise judgement in applying the Company's accounting policies. The areas where estimates are significant to the standalone financial statements, or areas involving a higher degree of judgement or complexity, are disclosed in note 2.3.

All the amounts included in the financial statements are reported in crore of Indian Rupees ('Rupees' or 'Rs.'), except number of shares, face value of share, earning per share or wherever otherwise indicated.

#### New and amended standards

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standard) Amendment Rules 2024, to amend the following Ind AS which are effective from April 01, 2024.

##### (i) Insurance Contracts - Ind AS 117

The Ministry of Corporate Affairs (MCA) notified the Ind AS 117, Insurance Contracts, vide notification dated August 12, 2024, under the Companies (Indian Accounting Standards) Amendment Rules, 2024, which is effective from annual reporting periods beginning on or after April 01, 2024.

Ind AS 117 Insurance Contracts is a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Ind AS 117 replaces Ind AS 104 Insurance Contracts. Ind AS 117 applies to all types of insurance contracts, regardless of the type of entities that issue them as well as to certain guarantees and financial instruments with discretionary participation features; a few scope exceptions will apply. Ind AS 117 is based on a general model, supplemented by:

- A specific adaptation for contracts with direct participation features (the variable fee approach)
- A simplified approach (the premium allocation approach) mainly for short-duration contracts

The application of Ind AS 117 does not have material impact on the Company's separate financial statements as the Company has not entered any contracts in insurance contracts covered under Ind AS 117.

(ii) Lease Liability in a Sale and Leaseback - Amendments to Ind AS 116

The MCA notified the Companies (Indian Accounting Standards) Second Amendment Rules, 2024, which amend Ind AS 116, Leases, with respect to Lease Liability in a Sale and Leaseback.

The amendment specifies the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.

The amendment is effective for annual reporting periods beginning on or after April 01, 2024 and must be applied retrospectively to sale and leaseback transactions entered into after the date of initial application of Ind AS 116.

The amendments do not have a material impact on the Company's financial statements.

Apart from these, consequential amendments and editorials have been made to other Ind AS like Ind AS 1, Ind AS 7 and Ind AS 107.

### 2.2 Summary of Material Accounting Policies

(i) **Basis of classification of Current and non-current**

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

(ii) **Foreign currencies**

(a) **Functional and presentation currency**

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('functional currency').

The financial statements are presented in Indian Rupees which is the functional and presentation currency of the Company.

(b) **Initial recognition**

Transactions in foreign currencies are initially recorded in the functional currency at the spot exchange rates prevailing at the date of the transaction when it first qualifies for recognition.

(c) **Translation on reporting date**

Foreign currency monetary items are translated using the functional currency spot rates of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost denominated in a foreign currency are translated using the exchange rate at the date of the initial transaction.

(d) **Exchange differences**

Exchange differences arising on translation or settlement of monetary items are recognised in the statement of profit and loss.

(iii) **Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

## NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operation.

External valuers are involved for valuation of significant assets, and significant liabilities, if any.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Company's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

### **(iv) Revenue from contracts with customer**

Revenue from sale of goods is recognised at the point in time when control of the goods is transferred to the customer, generally on delivery of the goods. The normal credit term is around 30 days upon delivery. The Company has concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

Revenue from sale of power is recognised on a basis as per the contract terms based on actual power sold for the year. The normal credit term is 7 to 60 days upon delivery.

In determining the transaction price for sale of goods, the Company considers the effect of variable consideration, the existence of significant financing components and consideration payable to the customer (if any).

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods and services to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

### **Contract balances**

#### **Contract assets**

A contract asset is initially recognized for revenue earned from sale of goods because the receipt of consideration is conditional on successful completion when control of the goods is transferred to the customer, generally on delivery of the goods. Upon delivery of goods and acceptance by the customer, the amount recognized as contract assets is reclassified to trade receivables.

Contract assets are subject to impairment assessment. Refer to accounting policies on impairment of financial assets in section (xx)(e) Financial instruments – initial recognition and subsequent measurement.

### **Trade receivables**

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (xx)(a) Financial instruments – initial recognition and subsequent measurement.

### **Contract liabilities**

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

### **Cost to obtain a contract**

The Company pays sales commission to agents for each contract that they obtain for sale of goods. The Company has elected to apply the optional practical expedient for costs to obtain a contract which allows the Company to immediately expense sales commission (included under other expenses) because the amortisation period of the asset that the Company otherwise would have used is one year or less.

### **(v) Government grant**

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

The Company receives interest subvention from the government on the loans which are availed at market rate of interest from the Banks. The interest subvention is netted off from the interest expenses.

For the outstanding loans received from the Government at the interest rate below the current market rates, is recognised at carrying value of previous GAAP as on date of transition on account of mandatory exemption available for the first time adoption under IndAS 01.

### **(vi) Taxes**

#### **Current Income tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit and loss is recognised outside profit and loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate. The Company shall reflect the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

#### **Deferred Tax**

Deferred tax is recognised using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses, if any. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized.

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**NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)**


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The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity.

The Company offsets deferred tax assets and deferred tax liabilities if and only if a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities related to income taxes levied by the same taxation authorities.

**Goods and Service tax (GST)/Sales/Value added taxes on acquisition of assets or on incurring expenses:**

When GST amount incurred on purchase of assets or services is not recoverable from the taxation authority, the GST paid is recognised as part of cost of acquisition of the asset or part of the expense item, as applicable. Otherwise, expenses and assets are recognised net of the amount of GST paid. The net amount of GST recoverable from or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

**(vii) Property, plant and equipment ('PPE')**

On transition to Ind AS i.e. April 1, 2016, the Company had elected to continue with the carrying value of all its property, plant and equipment (PPE) recognized as at the transition date measured as per the Indian GAAP and use that carrying value as the deemed cost of the PPE.

An item of PPE is recognised as an asset, if and only if, it is probable that the future economic benefits associated with the item will flow to the Company and its cost can be measured reliably.

PPE are initially recognised at cost, net of accumulated depreciation and accumulated impairment loss, if any. Capital work in progress is stated at cost, net of impairment loss, if any. Cost comprises the purchase price, including import duties and non- refundable purchase taxes, and any directly attributable cost of bringing the asset to its working condition for its intended use Such cost includes borrowing costs for long-term construction projects if the recognition criteria are met.

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance., Freehold land is carried at historical cost. When significant parts are required to be replaced at regular intervals, the Company recognises such parts as separate component of assets and depreciates separately based on their specific useful life. When an item of PPE is replaced, then its carrying amount is de-recognised and cost of the new item of PPE is recognised.

Items of stores and spares that meet the definition of PPE are capitalized at cost. Otherwise, such items are classified as inventories. They are depreciated over the remaining useful life of related plant and equipment or useful life of insurance/capital/ critical spares, whichever is lower.

The expenditure those are incurred after the item of PPE has been put to use, such as repairs and maintenance, are charged to the statement of profit and loss in the period in which such costs are incurred. However, in situations where such expenditure can be measured reliably, and is probable that future economic benefits associated with it will flow to the Company, it is included in the asset's carrying value or as a separate asset, as appropriate.

Depreciation on property, plant and equipment is provided on written down value basis using the rates as specified in Part C of Schedule II of the Companies Act, 2013, as set out below:

<b>Assets</b>	<b>Useful life (Years)</b>
Buildings (including Roads)	5-60
Plant & Equipment	10-40
Office Equipment (including Data Processing Equipment)	3-6
Furniture and Fixtures	10
Motor Vehicles	8

The management has estimated the useful life of following assets is different from those indicated in Schedule II:

Assets	Useful life (Years)
Building-Green house type shed of Bio-compost yard	25
Building-Polythene membrane	5
Components of certain plant and equipment	3 to 15

The useful lives, residual values and depreciation method of PPE are reviewed, and adjusted appropriately, at each reporting date. The effect of any change in the estimated useful lives, residual values and / or depreciation method are accounted for prospectively, and accordingly the depreciation is calculated over the PPE's remaining revised useful life. The cost and the accumulated depreciation for PPE sold, scrapped, retired or otherwise disposed off are de-recognised from the balance sheet and the resulting gains / (losses) are included in the statement of profit and loss within other expenses / other income.

The cost of capital work-in-progress is presented separately in the balance sheet.

### (viii) Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Intangible assets with finite lives are amortised on a written down value basis over the estimated useful economic life. The estimated useful life and amortisation method are reviewed at the end of each reporting period.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised on the straight-line method as per the useful life assessed based on expected future benefit, taking into account the nature of the asset, the estimated usage of the asset:

	As per management estimate
Software	3 years

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

	As per management estimate
Brand	indefinite

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss. when the asset is derecognised.

### (ix) Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs to sell and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if available, and if no such transactions can be identified, an appropriate valuation model is used.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. Impairment losses, if any, are recognized in Statement of Profit and Loss as a component of depreciation and amortisation expense.

## NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited to the extent the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation or amortisation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognized in the statement of profit and loss when the asset is carried at the revalued amount, in which case the reverse is treated as a revaluation increase.

### (x) Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

#### Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term taken from related parties leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

##### i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date. Right-of-use assets are depreciated on a straight-line basis from the commencement date over the shorter of the lease term and the estimated useful lives of the assets.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (ix) Impairment of non-financial assets.

##### ii) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments)

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. The cost and the accumulated depreciation for Right of use assets where the lease gets matured or disposed off before maturity are de-recognised from the balance sheet and the resulting gains / (losses) are included in the statement of profit and loss within other expenses / other income. Lease liabilities and Right-of-use assets have been presented as a separate line in the balance sheet. Lease payments have been classified as cash used in financing activities.

##### iii) Short-term leases except leases taken from related parties and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for short term leases except leases taken from related parties of all assets that have a lease term of 12 months or less and leases of low-value assets. In case of lease contracts with related parties, there exist economic incentive for the Company to continue using the leased premises for a period longer than the 11 months and considering the contract is with the related parties, it does not foresee non-renewal of the lease term for future periods, thus basis the substance and economics of the arrangements, management believes that under Ind AS 116, the lease terms in the arrangements with related parties have been determined considering the period for which management has an economic incentive to use the leased asset (i.e. reasonable certain to use the asset for the said period of economic incentive). Such assessment of incremental period is based on management assessment of various factors including the remaining useful life of the asset as on the date of transition. The management has assessed period of arrangements with related parties as 2 years. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease.

### **Company as a lessor**

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset is classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset, i.e., asset given on lease, and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

### **(xi) Inventories**

Inventories are valued at the lower of cost and net realisable value.

The Cost is determined as follows:

- (a) Stores and spares, Packing Materials, Raw Materials and Stock in trade: Moving weighted average method
- (b) Work-in-progress: Material cost on weighted average method and appropriate manufacturing overheads is included on absorption costing basis.
- (c) Finished goods (manufactured/produced): Material cost on weighted average method and appropriate manufacturing overheads is included on absorption costing.
- (d) (i) By products (Bagasse, "C" Heavy Molasses and Pressmud) included under raw materials, finished goods and work-in-progress: Net realisable Value.  
(ii) By products (B Heavy molasses) included under finished goods and work in progress, whose cost is not identifiable, are valued by allocating the costs between the products on the relative sales value of each product at the completion of the production, considering it as a rational and consistent basis.

Materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost includes the necessary cost incurred in bringing inventory to its present location and condition necessary for use.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

### **(xii) Provisions**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

### **(xiii) Non-Current Asset held for sale**

The Company classifies non-current assets and disposal groups as held for sale/ distribution to owners if their carrying amounts will be recovered principally through a sale/ distribution rather than through continuing use. Actions required to complete the sale/ distribution should indicate that it is unlikely that significant changes to the sale/ distribution will be made or that the decision to sell/ distribute will be withdrawn. Management must be committed to the sale/ distribution expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale/ distribution classification is regarded met only when the assets or disposal group is available for immediate sale/ distribution in its present condition, subject only to terms that are usual and customary for sales/ distribution of such assets (or disposal groups), its sale/ distribution is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale/ distribution of the asset or disposal group to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset (or disposal group),
- An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and

## NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets held for sale/for distribution to owners and disposal groups are measured at the lower of their carrying amount and the fair value less costs to sell/distribute. Assets and liabilities classified as held for sale/ distribution are presented separately in the balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale/ distribution to owners are not depreciated or amortised.

### (xiv) **Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

Borrowing costs include interest and amortization of ancillary cost incurred in connection with the arrangement of borrowing.

### (xv) **Contingent assets and liabilities**

A contingent liability is a

- (a) a present obligation that arises from past events but is not recognized because

- it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or
- the amount of the obligation cannot be measured with sufficient reliability.

The Company does not recognize a contingent liability but discloses its existence and other required disclosures in notes to the financial statements, unless the possibility of any outflow in settlement is remote

A contingent asset is a possible asset that arises from past events the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise.

### (xvi) **Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders of the Company by the weighted average number of the equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, net profit or loss for the year attributable to equity shareholders of the Company and the weighted average number of shares outstanding during the year are adjusted for the effect of all dilutive potential equity shares.

### (xvii) **Employee benefits**

The Company's employee benefits mainly include wages, salaries, bonuses, contribution to plans, defined benefit plans, compensated absences and share-based payments. The employee benefits are recognised in the year in which the associated services are rendered by the Company employees.

#### (a) **Defined contribution plans**

The Company's contribution to provident fund, pension scheme, employee state insurance corporation, etc. are considered as defined contribution plans and are recognised in profit or loss as and when the services are rendered by employees. The Company has no further obligations under these plans beyond its periodic contributions.

#### (b) **Defined benefit plans**

For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. The said plan requires a lump-sum payment to eligible employees (meeting the required vesting service condition) at retirement or termination of employment, based on a pre-defined formula.

The obligation towards the said benefits is recognised in the balance sheet, at the present value of the defined benefit obligations less the fair value of plan assets (being the funded portion). The present value of the said obligation is determined by discounting the estimated future cash outflows, using interest rates of government bonds.

The interest income / (expense) are calculated by applying the above mentioned discount rate to the plan assets and defined benefit obligations liability. The net interest income / (expense) on the net defined benefit liability is recognised in the statement of profit and loss. However, the related re-measurements of the net defined benefit liability are recognised directly in the other comprehensive income in the period in which they arise. The said re-measurements comprise of actuarial gains and losses (arising from experience adjustments and changes in actuarial assumptions), the return on plan assets (excluding interest). Re-measurements are not re-classified to the statement of profit and loss in any of the subsequent periods, however, included in retained earnings in the statement of change in equity and in the balance sheet.

### **(c) Compensated Absences Benefits**

The employees of the Company are entitled to compensated absences. Compensated absences benefit comprises of encashment and availment of leave balances that were earned by the employees over the period of past employment. The Company provides for the liability towards the said benefit on the basis of actuarial valuation carried out annually as at the reporting date, using the projected-unit-credit method. The related re-measurements are recognised in the statement of profit and loss in the period in which they arise.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months as long term employee benefit for measurement purpose. Such long term compensated absences are provided for based on actuarial valuation using the projected unit credit method at the year end. The Company presents the leave as a current liability in the balance sheet; to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

### **(xviii) Research and Development**

Revenue Expenditure on research and development is expensed out under respective heads of account in the year in which it is incurred.

Development expenditure is recognised as an asset at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and asset is available for use. It is amortised over the period of expected future benefits.

### **(xix) Segment Reporting**

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing performance.

The Company's operating segments are established on the basis of those components of the Company that are evaluated regularly by the Board of Directors ('the Chief Operating Decision Maker' as defined in IND AS 108 – Operating Segments). These have been identified taking into account nature of products and services, the differing risks and returns and the internal business reporting systems. The analysis of geographical segments is based on the locations of customers.

### **(xx) Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### **(a) Financial assets**

##### **Initial recognition and measurement**

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All the financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

**NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)**

**Subsequent measurement**

Non-derivative financial instruments

**i) Financial assets carried at amortized cost**

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding.

**ii) Financial assets at fair value through profit or loss**

A financial asset which is not classified in any of the above categories are subsequently fair value through profit or loss.

**Investment in Subsidiaries and Associates**

Investment in Subsidiaries and Associates is carried at deemed cost in the separate financial statements.

**Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

**(b) Financial liabilities**

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit or loss. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate the fair value due to the short maturity of these instruments.

**i) Financial guarantee contracts**

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortization.

**ii) Borrowings**

On initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

**(c) Derecognition of financial instruments**

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under IND AS 109. A financial liability (or a part of the financial liability) is derecognized when the obligation specified in the contract is discharged or cancelled or expired.

**(d) Fair value of financial instruments**

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and

dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

For all other financial instruments the carrying amounts approximate fair value due to the short maturity of those instruments

**(e) Impairment of financial assets**

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized as an impairment gain or loss in statement of profit or loss.

**(f) Reclassification**

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

**(g) Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the standalone balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

**(xxi) Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits and liquid fund investments with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

**(xxii) Dividend**

The Company recognises a liability to make distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

**(xxiii) Business Combinations**

Business combinations are accounted for using the acquisition method as prescribed under Ind AS 103 – Business Combinations. The cost of a business combination is measured as the aggregate of the consideration transferred, measured at acquisition-date fair values, and the amount of any non-controlling interest in the acquiree. The Company measures non-controlling interest either at fair value or at the proportionate share of the acquiree's identifiable net assets on a transaction-by-transaction basis.

The identifiable assets acquired, and liabilities assumed in a business combination are recognized at their acquisition-date fair values. Any goodwill arising from the business combination is initially measured as the excess of the aggregate of the consideration transferred, amount of non-controlling interest, and the fair value of any previously held equity interest in the acquiree over the net identifiable assets acquired. If the aggregate consideration is lower than the fair value of net assets acquired, the difference is recognized in Other Comprehensive Income and accumulated in Capital Reserve, subject to reassessment.

Acquisition-related costs are expensed in the period in which the costs are incurred and the services are received.

Business combinations involving entities or businesses under common control are accounted for using the pooling of interests method, whereby the assets and liabilities of the combining entities are reflected at their carrying amounts, and no goodwill is recognized. The difference, if any, between the consideration paid and the net assets acquired is recorded in capital reserve.

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**NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)**


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**(xxiv) Reciprocal tariff**

The management considering the relevant events after the reporting date has evaluated the likely impact of prevailing uncertainty relating to imposition or enhancement of reciprocal tariffs and believes that there are no material impact on the financial statement of the Company for the year ended March 31, 2025, however, the management will continue to monitor the situation from the perspective of potential impact of the operations of the Company.

**2.3. Significant accounting judgements, estimates and assumptions**

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

**a) Contingencies**

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal, contractor, land access and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgments and the use of estimates regarding the outcome of future events.

**b) Impairment of non-financial assets**

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation method is used. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill and other intangibles with indefinite useful lives recognised by the Company.

**c) Taxes**

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

**d) Defined benefit plans (gratuity benefits)**

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

Further details about gratuity obligations are given in note 35.

**e) Fair value measurement of financial instruments**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.

Changes in assumptions about these factors could affect the reported fair value of financial instruments.

**f) Useful life of Property, plant and equipment**

The management estimates the useful life and residual value of property, plant and equipment based on technical evaluation. These assumptions are reviewed at each reporting date.

# Mawana Sugars Limited

## NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

### 3. Property, plant and equipment

Rs. Crore

Particulars	Freehold Land	Buildings	Plant and equipment	Office equipment	Furniture and Fixtures	Vehicles	Total	Capital work in progress
<b>Gross Block</b> <b>(At cost)*</b>								
<b>As at April 01, 2023</b>	13.69	76.60	333.38	3.64	0.47	0.28	<b>428.06</b>	15.82
Additions	-	2.63	38.84	0.78	0.14	-	<b>42.39</b>	26.46
Disposals	-	(0.98)	(0.74)	(0.14)	(0.08)	-	<b>(1.94)</b>	(41.73)
<b>As at March 31, 2024</b>	<b>13.69</b>	<b>78.25</b>	<b>371.48</b>	<b>4.28</b>	<b>0.53</b>	<b>0.28</b>	<b>468.51</b>	<b>0.55</b>
Additions	-	0.44	17.23	0.75	0.15	-	<b>18.57</b>	18.26
Disposals	-	-	(0.03)	-	-	-	<b>(0.03)</b>	(18.49)
<b>As at March 31, 2025</b>	<b>13.69</b>	<b>78.69</b>	<b>388.68</b>	<b>5.03</b>	<b>0.68</b>	<b>0.28</b>	<b>487.05</b>	<b>0.32</b>
<b>Depreciation</b>								
<b>As at April 01, 2023</b>	-	38.38	190.49	2.66	0.30	0.27	<b>232.10</b>	-
Depreciation charge for the year	-	5.73	28.10	0.90	0.08	0.01	<b>34.82</b>	-
Disposals	-	(0.63)	(0.69)	(0.13)	(0.07)	-	<b>(1.52)</b>	-
<b>As at March 31, 2024</b>	<b>-</b>	<b>43.48</b>	<b>217.90</b>	<b>3.43</b>	<b>0.31</b>	<b>0.28</b>	<b>265.40</b>	-
Depreciation charge for the year	-	4.93	27.19	0.80	0.11	#	<b>33.03</b>	-
Disposals	-	-	(0.02)	-	-	-	<b>(0.02)</b>	-
<b>As at March 31, 2025</b>	<b>-</b>	<b>48.41</b>	<b>245.07</b>	<b>4.23</b>	<b>0.42</b>	<b>0.28</b>	<b>298.41</b>	-
<b>Net book value</b>								
<b>As at March 31, 2025</b>	<b>13.69</b>	<b>30.28</b>	<b>143.61</b>	<b>0.80</b>	<b>0.26</b>	#	<b>188.64</b>	<b>0.32</b>
As at March 31, 2024	13.69	34.77	153.58	0.85	0.22	#	203.11	0.55

\*As at the date of transition to Ind AS (i.e. April 01, 2016), the Company elected to continue with the carrying value of all property, plant and equipment measured as per the previous GAAP and used that carrying value as the deemed cost.

# represent amount less than Rs. 50,000/-

#### Notes :

1. Refer note 13 for information on property, plant and equipment pledged as security for borrowings.
2. Title deeds of all immovable properties (other than properties where the company is lessee and lease agreement are duly executed i.e. signed, sealed and delivered in favour of the lessee) are held in the name of the Company.
3. Capital work in progress ageing schedule:

### As at March 31, 2025

Rs. Crore

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	0.32	-	-	-	<b>0.32</b>
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>0.32</b>	-	-	-	<b>0.32</b>

### As at March 31, 2024

Rs. Crore

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	0.55	-	-	-	<b>0.55</b>
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>0.55</b>	-	-	-	<b>0.55</b>

There is no project whose completion is overdue or has exceeded its cost compared to its original plan during the financial year 2024-25 and 2023-24.

**NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)**

**4. Intangible assets**

**Rs. Crore**

Particulars	Brand	Software	Total
<b>Gross Block</b>			
(At cost)			
<b>As at April 01, 2023</b>	-	0.03	0.03
Additions	-	-	-
Disposal	-	-	-
<b>As at March 31, 2024</b>	-	<b>0.03</b>	<b>0.03</b>
Additions (refer note below)	5.98	-	5.98
Disposal	-	-	-
<b>As at March 31, 2025</b>	<b>5.98</b>	<b>0.03</b>	<b>6.01</b>
<b>Amortisation</b>			
<b>As at April 01, 2023</b>	-	0.02	0.02
Amortisation for the year	-	0.01	0.01
<b>As at March 31, 2024</b>	-	<b>0.03</b>	<b>0.03</b>
Amortisation for the year	-	-	-
Disposal	-	-	-
<b>As at March 31, 2025</b>	-	<b>0.03</b>	<b>0.03</b>
<b>Net book value</b>			
<b>As at March 31, 2025</b>	<b>5.98</b>	-	<b>5.98</b>
As at March 31, 2024	-	-	-

There are no restrictions over the title of the Company's intangible assets, nor are any intangible assets pledged as security for liabilities.

During the current year, the Company has acquired brand 'MAWANA', which includes all associated trademarks, related marks, and copyrights for a total consideration of Rs. 5.75 crore. The acquisition was made from a related party, based on an independent fair valuation carried out by a qualified external valuer. The acquisition has been completed and the 'Assignment Deed' has been signed on December 31, 2024. The Company has paid stamp duty of Rs. 0.23 crore on the above said transaction.

The acquired brand is expected to contribute significantly to the Company's operations, given its strong market recognition and association with quality in the relevant product segments. The management has evaluated the economic benefits and strategic relevance of the brand and has assessed that it has an indefinite useful life, owing to the following factors:

- The brand is well-established and continues to enjoy a strong market presence.
- There is no foreseeable limit to the period over which the brand is expected to generate net cash inflows.
- The Company has the intention and ability to continue using the brand indefinitely.

In accordance with Ind AS 38 – Intangible Assets, the brand has not been amortized. Instead, it will be tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired. The asset will continue to be reviewed regularly to confirm that the assessment of an indefinite useful life remains appropriate.

Impairment testing for intangible assets with indefinite useful lives has been carried out considering their recoverable amounts which, inter-alia, includes estimation of their value-in-use based on management projections.

Based on the above assessment, no impairment has been recognised during the year. Further, the Company has also performed sensitivity analysis around the base assumptions considered at the time of acquisition and has concluded that there are no reasonably possible changes to key assumptions that would cause the carrying amount of the aforesaid assets to exceed their recoverable values.

The transaction was conducted at arm's length and has been appropriately disclosed in the related party transactions note (Refer note 36).

**5. Right-of-use assets**

The Company has lease contracts for head office and corporate office used in its operations. Generally, the Company is restricted from assigning and subleasing the leased assets. The Company also has certain leases of assets with lease terms of 12 months or less. The Company applies the short-term leases recognition exemptions for these leases other than leases from related parties.

# Mawana Sugars Limited

## NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

### 5. Right-of-use assets (Contd.)

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year:

Rs. Crore

Particulars	Right of use Assets
<b>Gross carrying amount</b>	
As at April 01, 2023	1.27
Additions	-
Disposals	-
<b>As at March 31, 2024</b>	<b>1.27</b>
Additions	0.78
Disposals	(0.78)
<b>As at March 31, 2025</b>	<b>1.27</b>
<b>Depreciation</b>	
As at April 01, 2023	0.30
Depreciation for the year	0.47
Disposals	-
<b>As at March 31, 2024</b>	<b>0.77</b>
Depreciation for the year	0.47
Disposals	(0.78)
<b>As at March 31, 2025</b>	<b>0.46</b>
<b>Net carrying amount as at March 31, 2025</b>	<b>0.81</b>
Net carrying amount as at March 31, 2024	0.50

### 6 Financial assets

Rs. Crore

Particulars	As at March 31, 2025	As at March 31, 2024
<b>6.1 Investments</b>		
<b>Non- current</b>		
(I) <b>Investment in subsidiaries</b>		
<b>Unquoted equity instruments at cost</b>		
Nil (March 31, 2024: 4,02,95,000) equity shares of Rs. 10 each fully paid up of Siel Industrial Estate Limited (Refer note 50)	-	40.30
Nil (March 31, 2024: 1,37,61,617) equity shares of Rs. 100 each fully paid up of Siel Infrastructure & Estate Developers Private Limited (Refer note 50)	-	15.25
2,00,36,851 (March 31, 2024: 67,59,801) equity shares of Rs. 10 each fully paid up of Mawana Foods Private Limited (Refer note 49)	17.42	-
Less: Impairment allowance on investment (Refer note 49)	(13.77)	-
<b>Equity portion of compound financial instrument (Preference Shares)</b>		
Nil (March 31, 2024: 1,20,00,000) 5% Redeemable cumulative preference shares of Rs.10 each fully paid-up of Siel Industrial Estate Limited (Refer note 50)	-	3.66
Nil (March 31, 2024: 74,00,000) 5% Optionally convertible cumulative preference shares of Rs.10 each fully paid-up of Siel Industrial Estate Limited (Refer note 50)	-	2.26
	<b>3.65</b>	<b>61.47</b>
(II) <b>Investment in associates</b>		
Nil (March 31, 2024: 67,59,801) equity shares of Rs. 10 each fully paid up of Mawana Foods Private Limited	-	15.00
Less: Impairment allowance on investment (Refer note 49)	-	(12.17)
	<b>-</b>	<b>2.83</b>

**NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)**

6 Financial assets (Contd.)	Rs. Crore	
Particulars	As at March 31, 2025	As at March 31, 2024
<b>(III) Other Investments</b>		
<b>Unquoted equity instruments at cost<sup>1</sup></b>		
2 (March 31, 2024: 2) equity shares of Rs. 10 each (Rs. 5 per share paid up) of Mawana Co-operative Development Union Limited (# Rs. 10)	#	#
2 (March 31, 2024: 2) equity shares of Rs. 10 each (Rs. 5 per share paid up) of Ramraj Co-operative Cane Development Union Limited (# Rs. 10)	#	#
<b>Investments in Unquoted Preference Shares carried at amortized cost</b>		
Investment in subsidiaries		
Nil (March 31, 2024: 1,20,00,000) 5% Redeemable cumulative preference shares of Rs.10 each fully paid-up of Siel Industrial Estate Limited (Refer note 50)	-	14.60
Nil (March 31, 2024: 74,00,000) 5% Optionally convertible cumulative preference shares of Rs.10 each fully paid-up of Siel Industrial Estate Limited (Refer note 50)	-	6.44
	-	<b>21.04</b>
<b>Total</b>	<b>3.65</b>	<b>85.34</b>
<b>Aggregate value of unquoted investments</b>	<b>3.65</b>	<b>85.34</b>
<b>Aggregate value of quoted investments</b>	<b>-</b>	<b>-</b>
<b>Aggregate value of impairment in value of investments</b>	<b>(13.77)</b>	<b>(12.17)</b>

<sup>1</sup>Represent investments transferred from DCM Limited under the Scheme of Arrangement and are pending endorsement in the name of the Company.

Particulars	Rs. Crore	
	As at March 31, 2025	As at March 31, 2024
<b>6.2 Loans</b>		
(Unsecured, considered good except, unless otherwise stated)		
<b>Non- current</b>		
Loan to related party		
- Considered good (Refer note 36)*	-	7.70
	-	<b>7.70</b>
<b>Current</b>		
Loan to related party		
- Considered good (Refer note 36)**	-	1.00
	-	<b>1.00</b>
<b>Total</b>	<b>-</b>	<b>8.70</b>

\* During the previous year, the Company had granted a loan of Rs. 7.20 crore to Siel Industrial Estate Limited (Siel IE) (an erstwhile wholly owned subsidiary company) for a period of upto two years at the rate of interest of 9.50% per annum. Further, the Company also sanctioned an unsecured loan of Rs. 4.00 crore for a period of two years at the rate of interest of 9.50% per annum, out of which Rs. 0.50 crore was disbursed till previous year and Rs.0.80 crore was disbursed during the current year. Entire loan has been repaid by the subsidiary during the current year.

\*\* During the financial year 2021-22, the Company had provided an unsecured loan of Rs. 1.00 crore to Siel IE repayable on call for a period of upto one year at the rate of interest of 9.50% per annum. The said loan was extended for further period of one year during the year 2022-2023 and was further extended for a period of one year during the previous year on the existing terms and conditions. Entire loan has been repaid by the subsidiary during the current year.

Particulars	As at March 31, 2025		As at March 31, 2024	
	Amount of Loan Outstanding	% of total loan	Amount of Loan Outstanding	% of total loan
<b>Loan to related party</b>				
- Siel Industrial Estate Limited	-	0%	8.70	100%

# Mawana Sugars Limited

## NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

6 Financial assets (Contd.)	Rs. Crore	
Particulars	As at March 31, 2025	As at March 31, 2024
<b>6.3 Other financial assets (at amortised cost)</b> (Unsecured, considered good except, unless otherwise stated)		
<b>Non- current</b>		
Security deposits	0.16	0.16
Fixed deposits with banks (Margin money) *	0.20	0.14
Fixed deposits with banks (Earmarked) **	0.67	0.35
Interest accrued on fixed deposits and others	0.02	0.03
	<b>1.05</b>	<b>0.68</b>
<b>Current</b>		
Security deposits	0.14	0.31
Dues from employees	0.17	0.07
Interest subvention receivable	-	0.06
Interest receivable from related party (Refer note 36)	#	0.01
Interest accrued on fixed deposits and others	0.36	0.50
Other loans and advances		
- Related parties (Refer note 36)	-	0.03
- Others	2.86	2.65
	<b>3.53</b>	<b>3.63</b>
<b>Total</b>	<b>4.58</b>	<b>4.31</b>
# represent amount less than Rs. 50,000/-		
* deposits held as margin money against bank guarantees		
** deposits are earmarked for molasses storage fund, ethanol licence etc.		
<b>Break up of financial assets carried at amortised cost:</b>	Rs. Crore	
Particulars	As at March 31, 2025	As at March 31, 2024
Investments (Refer note 6.1)	-	21.04
Loans (Refer to note 6.2)	-	8.70
Other financial assets (Refer note 6.3)	4.58	4.31
Trade receivables (Refer note 9)	35.38	39.21
Cash and cash equivalents (Refer note 10)	6.10	9.98
Other Bank Balances (Refer note 11)	13.91	14.87
<b>Total</b>	<b>59.97</b>	<b>98.11</b>
<b>7 Other assets</b>	Rs. Crore	
Particulars	As at March 31, 2025	As at March 31, 2024
(Unsecured, considered good except, unless otherwise stated)		
<b>Non- Current</b>		
Capital advances	3.54	0.70
Prepaid expenses	0.04	0.26
	<b>3.58</b>	<b>0.96</b>
<b>Current</b>		
Unbilled revenue	2.84	4.18
Balances with government authorities		
- Considered good	1.21	0.74
- Credit impaired	1.23	1.23
Prepaid expenses	2.08	2.47
Advances to vendors	1.45	1.58
Others	0.08	0.33
	<b>8.89</b>	<b>10.53</b>
Less : Impairment allowance (allowances for bad and doubtful advances)	1.23	1.23
	<b>7.66</b>	<b>9.30</b>
<b>Total</b>	<b>11.24</b>	<b>10.26</b>

**NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)**

<b>8 Inventories</b>	<b>Rs. Crore</b>	
<b>Particulars</b>	<b>As at March 31, 2025</b>	<b>As at March 31, 2024</b>
Raw and packing materials	2.35	4.33
Work-in-progress	30.72	19.50
Finished goods {includes material in transit Rs. 0.23 crore (March 31, 2024 : Rs. 3.30 crore)}	778.76	785.98
Stock in trade	1.30	1.34
Stores and Spares	7.27	8.49
<b>Total*</b>	<b>820.40</b>	<b>819.64</b>

Inventories are pledged against the borrowings. (Refer note 13.3)

\*Inventories are net off Rs. 5.56 crore (March 31, 2024 : Rs. 4.97 crore) in respect of write down of inventories to net realisable value.

<b>9 Trade receivables</b>	<b>Rs. Crore</b>	
<b>Particulars</b>	<b>As at March 31, 2025</b>	<b>As at March 31, 2024</b>
(Unsecured, except unless otherwise stated, considered good, except unless otherwise stated)		
<b>9.1 Trade receivables</b>	<b>33.12</b>	<b>36.75</b>
Receivable from related party (Refer note 36)	2.26	2.46
<b>Total</b>	<b>35.38</b>	<b>39.21</b>
<b>9.2 Trade receivables</b>		
Unsecured - considered good	35.38	39.21
<b>Total</b>	<b>35.38</b>	<b>39.21</b>

- a) No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person.
- b) Trade receivables are generally non-interest bearing.
- c) Trade receivables are hypothecated against borrowings (Refer note 13.3)

**9.3 Trade receivable Ageing Schedule**

**As at March 31, 2025**

**Rs. Crore**

<b>Particulars</b>	<b>Not due</b>	<b>Outstanding for following periods from due date of payment</b>					<b>Total</b>
		<b>Less than 6 Months</b>	<b>6 months – 1 year</b>	<b>1-2 years</b>	<b>2-3 years</b>	<b>More than 3 years</b>	
Undisputed Trade receivables – considered good	23.13	10.70	1.01	0.08	-	0.46	35.38
Undisputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivables – credit impaired	-	-	-	-	-	-	-
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	-	-
<b>Total</b>	<b>23.13</b>	<b>10.70</b>	<b>1.01</b>	<b>0.08</b>	<b>-</b>	<b>0.46</b>	<b>35.38</b>

The unbilled revenue has been disclosed in note 7 "other current assets".

# Mawana Sugars Limited

## NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

### 9 Trade receivables (Contd.)

As at March 31, 2024

Rs. Crore

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables – considered good	28.46	10.29	-	#	0.46	-	39.21
Undisputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivables – credit impaired	-	-	-	-	-	-	-
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	-	-
<b>Total</b>	<b>28.46</b>	<b>10.29</b>	<b>-</b>	<b>#</b>	<b>0.46</b>	<b>-</b>	<b>39.21</b>

# represent amount less than Rs. 50,000/-

### 10 Cash and cash equivalents

Rs. Crore

Particulars	As at March 31, 2025	As at March 31, 2024
Balances with banks:		
- Current accounts	6.07	6.92
Cash on hand	0.03	0.06
Fixed deposits with banks (with original maturity of three months or less)	-	3.00
<b>Total</b>	<b>6.10</b>	<b>9.98</b>

### Changes in liabilities arising from financing activities

Rs. Crore

Particulars	Lease Liabilities	Borrowings	Total liabilities from financing activities
Balance as on March 31, 2024	0.59	567.53	568.12
Addition on account of new leases during the year	0.78	-	0.78
Changes in fair values	-	0.07	0.07
Cash flows	(0.52)	(149.47)	(149.99)
<b>Balance as on March 31, 2025</b>	<b>0.85</b>	<b>418.13</b>	<b>418.98</b>

### Changes in liabilities arising from financing activities

Rs. Crore

Particulars	Lease Liabilities	Borrowings	Total liabilities from financing activities
Balance as on March 31, 2023	1.04	381.98	383.02
Changes in fair values	-	1.32	1.32
Cash flows	(0.45)	184.23	183.78
<b>Balance as on March 31, 2024</b>	<b>0.59</b>	<b>567.53</b>	<b>568.12</b>

### 11 Other Bank Balances

Rs. Crore

Particulars	As at March 31, 2025	As at March 31, 2024
Fixed deposits (Having original maturity more than 3 months but less than 12 months)		
- Held as margin money against bank guarantees	1.26	12.85
- Unclaimed dividend *	0.96	0.54
- Earmarked deposits with banks **	11.69	1.48
<b>Total</b>	<b>13.91</b>	<b>14.87</b>

\* Company can utilise the balance only towards settlement of unclaimed dividend.

\*\* Deposits are earmarked for molasses storage fund, ethanol license, sanitizer and overdraft.

**NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)**
**12.1 Share Capital**
**Rs. Crore**

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Authorised:</b>		
10,00,00,000 (March 31, 2024: 10,00,00,000) equity shares of Rs. 10 each	100.00	100.00
75,00,000 (March 31, 2024: 75,00,000) preference shares of Rs. 100 each	75.00	75.00
	<b>175.00</b>	<b>175.00</b>
<b>Issued:</b>		
3,91,16,864 (March 31, 2024: 3,91,16,864) equity shares of Rs. 10 each fully paid up	39.12	39.12
<b>Subscribed and fully paid up:</b>		
3,91,16,864 (March 31, 2024: 3,91,16,864) equity shares of Rs. 10 each fully paid up	39.12	39.12

**a) Reconciliation of authorised, issued, subscribed and fully paid up share capital:**
**i. Reconciliation of authorised share capital as at year end:**

Particulars	Equity shares	
	Number of shares	Rs. Crore
As at April 01, 2023	10,00,00,000	100.00
Increase/(decrease) during the year	-	-
As at March 31, 2024	10,00,00,000	100.00
Increase/(decrease) during the year	-	-
<b>As at March 31, 2025</b>	<b>10,00,00,000</b>	<b>100.00</b>

Particulars	Preference shares	
	Number of shares	Rs. Crore
As at April 01, 2023	75,00,000	75.00
Increase/(decrease) during the year	-	-
As at March 31, 2024	75,00,000	75.00
Increase/(decrease) during the year	-	-
<b>As at March 31, 2025</b>	<b>75,00,000</b>	<b>75.00</b>

**ii. Reconciliation of issued, subscribed and fully paid up share capital at the beginning and end of the reporting year:**

Particulars	Number of shares	Rs. Crore
<b>Equity shares of Rs. 10 each issued, subscribed and fully paid</b>		
As at April 01, 2023	3,91,16,864	39.12
Increase/(decrease) during the year	-	-
As at March 31, 2024	3,91,16,864	39.12
Increase/(decrease) during the year	-	-
<b>As at March 31, 2025</b>	<b>3,91,16,864</b>	<b>39.12</b>

**b) Terms, rights and restrictions attached to equity shares:**

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each share holder of equity shares is entitled to one vote per share except 1,192 equity shares held by Siel Infrastructure & Estate Developers Private Limited, a subsidiary till October 11, 2024, which pursuant to second proviso of Section 19(1) of the Companies Act, 2013, has no right to vote at meeting of the Company. Each holder of equity shares have a right to receive per share dividend declared by the Company. In event of liquidation of the Company, holder of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholders.

**c) Detail of final dividend**

During the current year, the shareholders at its annual general meeting held on July 06, 2024 approved a dividend of 40% (i.e. Rs. 4.00 per equity share of the face value of Rs. 10 each) to the equity shareholders aggregating to Rs. 15.65 crore for the financial year ended March 31, 2024, which was deposited with the scheduled bank within the prescribed time.

### 12.1 Share Capital (Contd.)

#### d) Detail of interim dividend and final dividend proposed

The Board of Directors, in its meeting held on November 09, 2024, declared Interim Dividend of 30% (i.e. Rs. 3.00 per equity share of the face value of Rs. 10 each) for the financial year 2024-25. The same is proposed to be confirmed as final by the shareholders in the ensuing Annual General Meeting of the Company. Also the Board of Directors of the Company has recommended final dividend of 10% on equity shares (Rs. 1.00 per equity share of Rs.10 each), subject to approval of shareholders in ensuing Annual General Meeting, the liability of which would be recognised once this is approved by shareholders in the ensuing Annual General Meeting.

#### e) Details of shareholders holding more than 5% of equity shares in the Company

Name of the shareholder	As at March 31, 2025		As at March 31, 2024	
	No. of shares held	% holding in the equity shares	No. of shares held	% holding in the equity shares
Mr. Krishna Shriram (including shares held as trustee of Enterprise Trust)	2,48,34,248	63.49%	2,48,34,248	63.49%

As per records of the Company including its register of shareholders/members and other declarations received from share holders regarding beneficial interest, the above share holding represents both legal and beneficial ownership of shares.

#### f) Details of shares held by promoters

As at March 31, 2025

Promoters Name	No. of shares at the beginning of the year	Change During the year	No. of shares at the end of the year	% of Total Shares	% change during the year
<b>Individuals</b>					
1. Mr. Krishna Shriram	2,46,17,959	-	2,46,17,959	62.94%	0.00%
2. Mr. Krishna Shriram (Holding Shares as a Trustee of Enterprise trust)	2,16,289	-	2,16,289	0.55%	0.00%
3. Mrs. Roula Shriram	536	-	536	0.00%	0.00%
<b>Bodies Corporate</b>					
1. Siel Infrastructure & Estate Developers Private Limited <sup>1</sup>	1,192	-	1,192	0.00%	0.00%

<sup>1</sup>On October 11, 2024, the Company completed the sale of its entire shareholding in its wholly owned subsidiary, Siel Infrastructure and Estate Developers Private Limited ("Siel IED"). Consequent to this divestment, the Company is in the process of seeking reclassification of 1,192 equity shares of the Company held by Siel IED from the Promoter Group to Public Shareholding, in accordance with Regulation 31A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, subject to the approval of the shareholders at the forthcoming Annual General Meeting. The said matter has been enquired by SEBI under Regulation 31 of SEBI (LODR) and has been appropriately responded to and clarified by the Company.

As at March 31, 2024

Promoters Name	No. of shares at the beginning of the year	Change During the year	No. of shares at the end of the year	% of Total Shares	% change during the year
<b>Individuals</b>					
1. Mr. Krishna Shriram	2,46,17,959	-	2,46,17,959	62.94%	0.00%
2. Mr. Krishna Shriram (Holding Shares as a Trustee of Enterprise trust)	2,16,289	-	2,16,289	0.55%	0.00%
3. Mrs. Roula Shriram	536	-	536	0.00%	0.00%
<b>Bodies Corporate</b>					
1. Siel Infrastructure & Estate Developers Private Limited	1,192	-	1,192	0.00%	0.00%

#### g) There are no shares allotted as fully paid-up by way of bonus shares or allotted as fully paid-up pursuant to contract without payment being received in cash, or bought back during the period of five years immediately preceding the reporting date. There are no securities which are convertible into equity shares.

**NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)**
**12.2 Other equity**
**Rs. Crore**

Particulars	As at March 31, 2025	As at March 31, 2024
Securities premium	149.50	149.50
Capital redemption reserve	8.77	8.77
Capital reserve	103.02	103.02
Retained earnings	190.10	146.71
Storage fund for molasses account	1.55	1.27
<b>Total</b>	<b>452.94</b>	<b>409.27</b>

**Nature and Purpose of reserve**
**a. Securities premium reserve**

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

**b. Capital redemption reserve**

Capital redemption reserve (CRR) is used to record the amount equal to the nominal value of equity shares buy back or redemption of preference shares. As per provisions of the Companies Act, 2013, CRR can be utilised only for paying up unissued shares of the Company to be issued to members of the Company as fully paid bonus shares.

**c. Capital reserve**

Capital reserve includes :

- Rs. 99.15 crore representing the extinguishment of the debts of erstwhile Mawana Sugars Limited (MSL), which got discharged pursuant to the surplus arising on sale of shares of Shivajimarg Properties Limited and,
- Rs. 3.87 crore representing the extinguishment of preference share capital.

**d. Retained earnings**

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings includes re-measurement loss / (gain) on defined benefit plans, net of taxes that will not be reclassified to profit and loss.

**e. Storage fund for molasses account**

As per Rule 3(1) of UP Sheera Nyantran Niyamawali, 1974, Molasses Storage Fund is created from the sale price of molasses and shall be utilized for the purpose of construction, erection and repair & maintenance of adequate storage facility of Molasses. Also it may be spent on abatement measures for control of pollution and or any other bonafide development activities which the Controller of molasses considers necessary.

**13 Borrowings**
**Rs. Crore**

Particulars	As at March 31, 2025	As at March 31, 2024
<b>13.1 Non current borrowings (at amortised cost)</b>		
<b>Secured (Refer note 13.3)</b>		
Term loans - from banks *	-	4.76
<b>Total</b>	<b>-</b>	<b>4.76</b>
Less: Amount clubbed under "Current borrowings"	-	4.76
<b>Total borrowings</b>	<b>-</b>	<b>-</b>
<b>13.2 Current borrowings</b>		
<b>Secured (Refer note 13.3)</b>		
Loans repayable on demand - Cash credit/overdrafts from banks	418.13	562.77
Current maturities of long term borrowings*	-	4.76
<b>Total current borrowings</b>	<b>418.13</b>	<b>567.53</b>
<b>Total borrowings</b>	<b>418.13</b>	<b>567.53</b>

\* During the financial year 2018-19, the Company had received soft loans of Rs. 146.00 crore through a bank under the "Scheme for Extending Financial Assistance to Sugar Undertakings - 2018" as notified by UP State Government to clear the outstanding cane dues of the farmers for the sugar season 2017-18. The Company has repaid the said loan during the current year (March 31, 2024 : Rs. 4.76 crore).

# Mawana Sugars Limited

## NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

### 13 Borrowings (Contd.)

#### 13.3 Security Clause

##### A. Term loans - from Banks

Rs. Crore

	As at March 31, 2025	As at March 31, 2024	Rate of interest	Nature of security and repayment terms
i	-	4.76	5.00%	<p>The soft loans were secured by first pari-passu charge on entire fixed assets of the respective sugar units Mawana Sugar Works and Nanglamal Sugar Complex except on Incinerator Boiler at Nanglamal Sugar Complex and was also secured by corporate guarantee provided by the Company.</p> <p>These loans have been fully repaid during the year ended March 31, 2025 and all securities have been released.</p> <p>As at March 31, 2024, the outstanding balance of Rs. 2.81 crore pertaining to Mawana Sugar Works was payable in 2 monthly installment of Rs. 1.41 crore each and outstanding balance of Rs. 2.01 crore pertaining to Nanglamal Sugar Complex was repayable in 2 monthly installment of Rs. 1.02 crore each.</p>

##### B. Loans repayable on demand - from Banks

i	408.25	562.77	9.50%	Cash credit from a bank are secured by way of pledge of Sugar stocks, first charge on the semi- finished sugar including sugar in process, raw materials, first pari passu charge on the fixed assets, hypothecation of book debts of the respective sugar units Nanglamal Sugar Complex and Mawana Sugar Works and also secured by the corporate guarantee of the Company.
ii	9.88	-	Fixed deposit rate +0.75 %	During the current year, the Company availed an overdraft facility against fixed deposits, with a sanctioned limit of Rs. 20.00 crore. A fixed deposit of Rs. 10.00 crore has been pledged as security against the outstanding overdraft balance.

### 14 Lease liabilities

Rs. Crore

Particulars	As at March 31, 2025	As at March 31, 2024
<b>14.1 Non- current :</b>		
Lease liabilities		
- Related party (Refer note 36)	0.37	-
- Others	0.04	0.07
Total	<b>0.41</b>	<b>0.07</b>
<b>14.2 Current :</b>		
Lease liabilities		
- Related party (Refer note 36)	0.41	0.41
- Others	0.03	0.11
Total	<b>0.44</b>	<b>0.52</b>
<b>Total</b>	<b>0.85</b>	<b>0.59</b>

**NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)**
**15 Provisions** Rs. Crore

Particulars	As at March 31, 2025	As at March 31, 2024
<b>15.1 Non- current :</b>		
Provision for employee benefits		
- Provision for gratuity (Refer note 35)	10.23	9.79
Total	<b>10.23</b>	<b>9.79</b>
<b>15.2 Current :</b>		
- Provision for gratuity (Refer note 35)	1.35	1.36
- Provision for compensated absences	3.16	2.80
Total	<b>4.51</b>	<b>4.16</b>
<b>Total</b>	<b>14.74</b>	<b>13.95</b>

**16 Trade payables** Rs. Crore

Particulars	As at March 31, 2025	As at March 31, 2024
<b>16.1 Trade payables :</b>		
- Total outstanding dues to micro and small enterprises (Refer note 43)*	2.50	6.54
- Total outstanding dues of creditors dues other than micro and small enterprises	131.50	143.80
	<b>134.00</b>	<b>150.34</b>
- Outstanding dues to related parties (Refer note 36)	0.12	0.28
- Outstanding dues to others	133.88	150.06
<b>Total</b>	<b>134.00</b>	<b>150.34</b>

\*Including interest Rs. 0.01 crore (March 31, 2024 : Rs. 0.01 crore) on outstanding dues to micro and small enterprises.

1. For maturity profile of trade payable and other financial liabilities (refer note 39).
2. For explanation on the Company's credit risk management processes (refer note 39).
3. Trade payables are non-interest bearing.

**16.2 Trade Payable Ageing Schedule**

As at March 31, 2025 Rs. Crore

Particulars	Uninvoiced	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	0.05	2.44	-	-	-	0.01	2.50
Total outstanding dues of creditors other than micro enterprises and small enterprises	3.26	80.20	19.14	0.08	0.09	0.18	102.95
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises (Refer note 46)	28.55	-	-	-	-	-	28.55
<b>Total</b>	<b>31.86</b>	<b>82.64</b>	<b>19.14</b>	<b>0.08</b>	<b>0.09</b>	<b>0.19</b>	<b>134.00</b>

# Mawana Sugars Limited

## NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

### 16 Trade payables (Contd.)

As at March 31, 2024			Rs. Crore				
Particulars	Uninvoiced	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	#	6.54	#	-	-	#	6.54
Total outstanding dues of creditors other than micro enterprises and small enterprises	3.38	29.32	81.11	0.24	0.14	0.08	114.27
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises (Refer note 46)	29.44	-	-	-	-	0.09	29.53
<b>Total</b>	<b>32.82</b>	<b>35.86</b>	<b>81.11</b>	<b>0.24</b>	<b>0.14</b>	<b>0.17</b>	<b>150.34</b>

# represent amount less than Rs. 50,000/-

### 17 Other financial liabilities

Rs. Crore

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Current at amortised cost:</b>		
Trade deposits - dealers and others	4.55	3.63
Employees related payables	7.27	4.15
Payable towards capital goods (Refer note 43)	0.80	0.88
Interest payable	0.76	0.69
Unpaid dividend*	0.96	0.54
<b>Total</b>	<b>14.34</b>	<b>9.89</b>

\* There is no amount due for payment to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 as at the year end.

#### Breakup of financial liabilities at amortised cost:

Rs. Crore

Particulars	As at March 31, 2025	As at March 31, 2024
Borrowings (Refer note 13)	418.13	567.53
Lease liabilities (Refer note 14)	0.85	0.59
Trade payables (Refer note 16)	134.00	150.34
Other financial liabilities (Refer note 17)	14.34	9.89
<b>Total</b>	<b>567.32</b>	<b>728.35</b>

### 18 Other current liabilities

Rs. Crore

Particulars	As at March 31, 2025	As at March 31, 2024
Advance received from customers and others	2.01	2.03
Statutory liabilities	7.89	7.43
Interest on statutory dues	9.92	9.60
Government grants	-	0.07
<b>Total</b>	<b>19.82</b>	<b>19.13</b>

**NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)**
**19 Income tax and deferred tax**

(a) The major components of income tax expense for the year ended March 31, 2025 and March 31, 2024:

Profit or loss section:	Rs. Crore	
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
<b>Tax expense:</b>		
Current tax	7.17	-
Adjustment in respect of deferred tax of earlier years	0.11	(0.07)
<b>Deferred tax:</b>		
Relating to origination and reversal of temporary differences	12.66	15.46
<b>Income tax expense reported in the statement of profit or loss</b>	<b>19.94</b>	<b>15.39</b>

**Other Comprehensive Income section:**

Deferred tax related to items recognised in other comprehensive income during the year:	Rs. Crore	
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Deferred tax credit on gain on remeasurements of defined benefit plans	0.12	#
<b>Deferred tax credit/(charge) to other comprehensive income</b>	<b>0.12</b>	<b>#</b>

(b) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for the year ended March 31, 2025 and March 31, 2024.

Particulars	Rs. Crore	
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Profit before tax (including item of other comprehensive income)	90.87	57.99
Tax expenses @ applicable income tax rate of 25.168%	22.87	14.59
Tax effect on impairment allowance on investment	0.40	-
Tax effect on unrecognised unabsorbed depreciation recognised during the year	(3.06)	-
Tax effect on permanent differences	(0.17)	3.46
Adjustment in respect of deferred tax of earlier years	0.11	(0.07)
Tax effect on capital gains	1.38	(2.59)
Reversal of deferred tax liabilities on derecognition of investments	(1.71)	-
<b>Income tax expense reported in the statement of profit and loss &amp; other comprehensive income</b>	<b>19.82</b>	<b>15.39</b>

# represent amount less than Rs. 50,000/-

(c) Deferred tax assets (net)

Particulars	Balance sheet		
	As at March 31, 2024	Provided during the year	As at March 31, 2025
<b>Deferred tax assets relates to the following</b>			
Provision for doubtful debts and advances	0.31	-	0.31
Disallowances u/s 43B	12.40	0.28	12.68
Unabsorbed depreciation	18.27	(15.82)	2.45
Recognition of lease liability	0.15	0.06	0.21
<b>Total deferred tax assets (A)</b>	<b>31.13</b>	<b>(15.48)</b>	<b>15.65</b>

# Mawana Sugars Limited

## NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

### 19 Income tax and deferred tax (Contd.)

Rs. Crore

Particulars	Balance sheet		
	As at March 31, 2024	Provided during the year	As at March 31, 2025
<b>Deferred tax liabilities relates to the following</b>			
Accelerated depreciation for tax purposes	15.79	(1.19)	14.60
Recognition of right of use assets	0.13	0.08	0.21
Others	1.71	(1.71)	-
<b>Total deferred tax liabilities (B)</b>	<b>17.63</b>	<b>(2.82)</b>	<b>14.81</b>
<b>Net Deferred Tax Assets/(Liabilities) (A-B)</b>	<b>13.50</b>	<b>(12.66)</b>	<b>0.84</b>

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

The management at the end of each reporting period, assesses Company's ability to recognize deferred tax assets on unabsorbed depreciation carried forward, taking into account forecasts of future taxable profits and the law and jurisdiction of the taxable items and the assumptions on which these projections are based. Based on profits earned during the current year and previous years, future profitability projections, considering expected future market, economic conditions and tax laws, the management is confident that there would be sufficient taxable profits in future which will enable the Company to utilize the above deferred tax assets on unabsorbed depreciation.

### 20 Income tax assets

Rs. Crore

Particulars	As at March 31, 2025	As at March 31, 2024
Advance payment of income tax	2.09	1.37
<b>Total</b>	<b>2.09</b>	<b>1.37</b>

### 21 Current tax liabilities (net)

Rs. Crore

Particulars	As at March 31, 2025	As at March 31, 2024
Provision for taxation	-	1.52
	-	1.52

### 22 Revenue from operations

Rs. Crore

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
<b>Sale of products</b>		
Finished Goods	1,431.72	1,339.06
Traded Goods	10.01	11.88
<b>Other operating revenue:</b>		
Sale of scrap	3.36	4.15
Duty draw back and other export benefits	-	#
<b>Total revenue from operations</b>	<b>1,445.09</b>	<b>1,355.09</b>

**NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)**
**22 Revenue from operations (Contd.)** Rs. Crore
**Disaggregated revenue information**

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Sugar	1,197.75	1,062.31
Industrial Alcohol	172.28	218.42
Power	17.40	17.53
By product		
- Molasses	8.02	5.21
- Bagasse	30.60	30.91
Traded Goods	10.01	11.88
Scrap	3.36	4.15
Others	5.67	4.68
<b>Total</b>	<b>1,445.09</b>	<b>1,355.09</b>
<b>Timing of revenue recognition</b>		
Goods transferred at a point in time	1,445.09	1,355.09
<b>Reconciliation of amount of revenue recognised with contract price</b>		
Revenue as per contracted price	1,445.09	1,355.09
Adjustments		
- Duty draw back and other export benefits	-	#
<b>Total</b>	<b>1,445.09</b>	<b>1,355.09</b>

For detail of contract balances, refer note 9 and 18. Also refer note 37 for segment information.

# represent amount less than Rs. 50,000/-

**23 Other income** Rs. Crore

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Interest income <sup>1</sup>		
- Interest from banks	1.29	1.25
- Interest on income tax refunds	0.07	0.05
- Interest from others	0.04	0.04
- Interest on loan to subsidiary company (Refer note 36)	0.46	0.37
- Interest income on financial assets valued at amortized cost	0.83	1.56
Rent received	0.10	0.09
Liabilities/credit balances no longer required written back (Refer note 45(b))	0.01	2.58
Profit on disposal of property, plant and equipment (net) (Refer note 45(a))	0.03	23.01
Recovery of advances written off in earlier years	-	0.13
Gain on foreign currency transactions (net)	-	0.04
Insurance claims income	0.08	0.07
Sale of export quota	4.55	-
Miscellaneous income	2.47	0.11
<b>Total</b>	<b>9.93</b>	<b>29.30</b>

# represent amount less than Rs. 50,000/-

<sup>1</sup>Total income (calculated using effective interest method) for financial assets those are not at fair value through profit and loss.

In relation to financial assets classified at amortised cost	2.69	3.27
<b>Total</b>	<b>2.69</b>	<b>3.27</b>

# Mawana Sugars Limited

## NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

### 24 Cost of materials consumed

Rs. Crore

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Inventory at the beginning of the year	4.33	3.09
Add: Purchases made during the year *	1,115.53	1,245.11
	<b>1,119.86</b>	<b>1,248.20</b>
Less : Inventory at the end of the year	2.35	4.33
<b>Cost of materials consumed</b>	<b>1,117.51</b>	<b>1,243.87</b>

\* includes incidental expenses of Rs. 13.69 crore (March 31, 2024 : Rs 12.78 crore) related to procurement of sugarcane (net of recovery of Rs. 5.40 crore (March 31, 2024 : Rs. 3.29 crore) from farmers on distribution of seeds).

### Details of materials consumed are as under :

Rs. Crore

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Sugar cane	1,098.39	1,217.47
Packing materials	16.89	19.43
Others	2.23	6.97
<b>Total</b>	<b>1,117.51</b>	<b>1,243.87</b>

### Details of inventory : Raw and packing materials

Rs. Crore

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Sugar cane	0.58	1.57
Packing materials	1.77	2.76
<b>Total</b>	<b>2.35</b>	<b>4.33</b>

### 25 Changes in inventories of finished goods, stock-in-trade and work-in-progress

Rs. Crore

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
<b>Inventories at the end of the year</b>		
- Finished goods	778.76	785.98
- Stock in trade	1.30	1.34
- Work in progress	30.72	19.50
<b>Total B</b>	<b>810.78</b>	<b>806.82</b>
<b>Inventories at the beginning of the year</b>		
- Finished goods	785.98	565.72
- Stock in trade	1.34	2.81
- Work in progress	19.50	49.02
<b>Total A</b>	<b>806.82</b>	<b>617.55</b>
<b>Total (A-B)</b>	<b>(3.96)</b>	<b>(189.27)</b>

**NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)**
**25 Changes in inventories of finished goods, stock-in-trade and work-in-progress (Contd.)**

Particulars	Rs. Crore	
	Year ended March 31, 2025	Year ended March 31, 2024
<b>Finished goods</b>		
Sugar	705.58	731.79
Industrial Alcohol	24.36	20.74
By Products		
- Molasses	37.99	26.58
- Bagasse	7.94	5.47
Others	2.89	1.40
<b>Total</b>	<b>778.76</b>	<b>785.98</b>
<b>Stock in trade</b>		
Others	1.30	1.34
<b>Total</b>	<b>1.30</b>	<b>1.34</b>
<b>Work-in-progress</b>		
Sugar	13.92	11.66
By Product		
- Molasses	16.56	7.52
Others	0.24	0.32
<b>Total</b>	<b>30.72</b>	<b>19.50</b>

Particulars	Rs. Crore	
	Year ended March 31, 2025	Year ended March 31, 2024
Salaries, wages and bonus	77.07	70.61
Contribution to provident and other funds	4.97	5.37
Gratuity (Refer note 35)	2.17	1.94
Staff welfare expenses	3.14	2.81
<b>Total</b>	<b>87.35</b>	<b>80.73</b>

Particulars	Rs. Crore	
	Year ended March 31, 2025	Year ended March 31, 2024
Interest on borrowings*	28.87	28.67
Interest on others**	0.60	0.84
Interest expenses on lease liabilities	0.04	0.09
<b>Total</b>	<b>29.51</b>	<b>29.60</b>

Total interest expenses (calculated using effective interest method) for financial liabilities that are not at fair value through profit and loss.

In relation to financial liabilities classified at amortised cost	29.51	29.60
<b>Total</b>	<b>29.51</b>	<b>29.60</b>

\* net of buffer subsidy / subvention Nil (March 31, 2024 : Rs. 0.06 crore).

\*\*Including interest on income tax Rs. 0.14 crore (March 31, 2024 : Rs. 0.31 crore).

# Mawana Sugars Limited

## NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

28 Depreciation and amortisation expense	Rs. Crore	
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Depreciation of property, plant and equipment (Refer note 3)	33.03	34.82
Amortisation of intangible assets (Refer note 4)	-	0.01
Depreciation of right of use assets (Refer note 5)	0.47	0.47
<b>Total</b>	<b>33.50</b>	<b>35.30</b>

29 Other expenses	Rs. Crore	
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Consumption of stores and spares	39.61	41.78
Power and fuel	0.01	1.43
Other manufacturing expenses	8.08	8.50
Commission to indenting and ordering agent	2.27	2.00
Repairs		
- Building	2.68	3.21
- Plant and equipment	16.21	16.50
- Others	1.92	2.42
Rent paid	1.24	0.99
Payment to statutory auditors (Refer details below)	0.80	0.67
Insurance	2.53	2.73
Rates and taxes	6.99	6.28
Freight and transport	8.63	9.32
Legal and professional expenses	6.38	6.61
Irrecoverable balances written off	0.01	0.16
Allowance for doubtful debts, capital advances and other assets (net)	-	0.06
Miscellaneous expenses	12.53	11.47
<b>Total</b>	<b>109.89</b>	<b>114.13</b>

Payment to statutory auditors	Rs. Crore	
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
As auditors		
Audit fee (limited review of unaudited financial results)	0.64	0.49
Tax audit fee	0.08	0.08
Certification fees	0.03	0.05
Out of pocket expenses	0.05	0.05
<b>Total</b>	<b>0.80</b>	<b>0.67</b>

30 Exceptional Items	Rs. Crore	
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Profit on sale on investment in subsidiary companies (Refer note 50)	22.99	-
Impairment allowance on investment in subsidiary (Refer note 49)	(1.60)	-
<b>Total</b>	<b>21.39</b>	<b>-</b>

**NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)**

**31 Earnings per share (EPS)**

- a) Basic and Diluted EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.
- b) The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Profit after tax and exceptional items as per the statement of Profit and Loss (Rs. crores)	71.40	42.59
Weighted average number of equity shares for basic and diluted EPS	3,91,16,864	3,91,16,864
<b>Basic and diluted earnings per share (in Rs.)</b>	<b>18.25</b>	<b>10.89</b>
<b>Face value per share (in Rs.)</b>	<b>10.00</b>	<b>10.00</b>

**32. A Leases**

**(a) Lease — as lessee**

The Company has lease contracts for head office and corporate office used in its operations. Generally, the Company is restricted from assigning and subleasing the leased assets. The Company also has certain leases of assets with lease terms of 12 months or less. The Company applies the short-term leases recognition exemptions for these leases, other than lease from related parties.

**Set out below are the carrying amounts of right of use assets recognised and the movements during the year:**

Particulars	Rs. Crore
<b>As at April 01, 2023</b>	<b>0.97</b>
Additions	-
Depreciation expenses	(0.47)
Disposals	-
<b>As at April 01, 2024</b>	<b>0.50</b>
Additions	0.78
Depreciation expenses	(0.47)
Disposals	-
<b>As at March 31, 2025</b>	<b>0.81</b>

**Set out below are the carrying amounts of lease liabilities and the movements during the year:**

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
<b>Opening balance</b>	0.59	1.04
Additions	0.78	-
Accretion of interest	0.04	0.09
Payments	(0.56)	(0.54)
<b>Closing balance</b>	<b>0.85</b>	<b>0.59</b>
<b>Current lease liabilities</b>	<b>0.44</b>	<b>0.52</b>
<b>Non current lease liabilities</b>	<b>0.41</b>	<b>0.07</b>

Considering the lease term of the leases, the effective interest rate for lease liabilities is 11%.

# Mawana Sugars Limited

## NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

### 32. A Leases (Contd.)

The following are the amounts recognised in statement of profit and loss:

Particulars	Year ended March 31, 2025	Rs. Crore Year ended March 31, 2024
Depreciation expenses of right-of-use assets	0.47	0.47
Interest expense on lease liabilities	0.04	0.09
Expense relating to short-term leases (included in other expenses)	1.24	0.99
<b>Total amount recognised in statement of profit or loss Account</b>	<b>1.75</b>	<b>1.55</b>

For maturity analysis of lease liability, refer note 39 Financial risk management framework and policies under maturities of financial liabilities.

The Company had total cash outflows for leases of Rs. 1.80 crore (March 31, 2024 Rs 1.53 crore). There are no future cash outflows relating to leases that have not yet commenced.

Payments associated with short-term leases other than leases from related parties are recognised on a straight-line basis as an expense in statement of profit and loss. Short-term leases are leases with a lease term of 12 months or less.

#### (b) Lease — as lessor

The Company has given certain portion of its factory premises under operating leases. The gross carrying amount, accumulated depreciation and depreciation recognised in the statement of profit and loss in respect of such portion of the leased premises are not separately identifiable. There is no impairment loss in respect of such premises. No contingent rent has been recognised in the statement of profit and loss. Lease income is recognised in the statement of profit and loss under "Other income" (refer note 23).

### 32. B Commitments and Contingencies

#### (a) Commitments

Particulars	As at March 31, 2025	Rs. Crore As at March 31, 2024
a. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances):	11.79	7.39
b. Uncalled liability on shares and other investments partly paid (# Rs. 20)	#	#
<b>Total</b>	<b>11.79</b>	<b>7.39</b>

#### (b) Contingent Liabilities in respect of Income Taxes/Central Excise/Service Tax/Value Added Tax and other taxes

##### (i) In respect of indirect taxes/statutory dues

Nature of Dispute	Description	Period	As at March 31, 2025	As at March 31, 2024
Central Excise, State Excise, Service Tax and Goods and Service Tax	Matter under litigation for Central Excise, Service Tax and Goods & Service Tax Department towards wrong availment of cenvat credit taken, dispute on levy of service tax and excise duty and penalty/Interest imposed	1994-95 to 1996-97, 1998-99, 1999-2000 to 2002-03, 2006-07, 2004-05 to 2016-17 and 2019-20	2.25	2.52
Provident Fund	Demand Notice received from Employees' Provident Fund Organisation towards levy of damages under Section 14-B and Interest under Section 7-Q of The Employees' Provident Fund and Miscellaneous Provisions Act, 1952	1996-2020	1.62	-
House Tax and Water Tax	House Tax and Water Tax dispute with Nagarpalika Parishad, Mawana, pending reassessment	2007-08 to 2024-25	2.47	2.32
<b>Total (i)</b>			<b>6.34</b>	<b>4.84</b>

**NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)**
**32. Commitments and Contingencies (Contd.)**
**(ii) Other Matters under disputes are as below:**

		Period	Rs. Crore	
Nature of Dispute	Description		As at March 31, 2025	As at March 31, 2024
Land	Land related disputes	1985-86, 1975-76, 2007-08 to 2023-24	0.10	0.10
		<b>Total</b>	<b>0.10</b>	<b>0.10</b>
Labour	Labour related disputes	2006-07, 2008-09 and 2010-11	0.17	0.40
		1997-98, 1999-2000 to 2002-03, 2008-09, 2010-11 and 2012-13	0.92	0.92
		1999-2000, 2005-06, 1996-97, 1993-94, 1992-93, 1985-86, 1995-96, 1992-93, 2014-15, 2018-19, 2021-22, 2022-23, 2023-24 and 2024-25	1.56	1.37
		<b>Total</b>	<b>2.65</b>	<b>2.69</b>
Civil	Others	2010-11, 2022-23 and 2024-25	0.47	0.31
		<b>Total</b>	<b>0.47</b>	<b>0.31</b>
Interest on Cane Price / Commission Arrears	Interest on delay payment of cane dues (Refer note 48)	2002-03, 2006-07, 2012-13 to 2024-25	479.86	477.79
		<b>Total</b>	<b>479.86</b>	<b>477.79</b>
		<b>Total (ii)</b>	<b>483.08</b>	<b>480.89</b>
<b>Grand Total ((i)+(ii))</b>			<b>489.42</b>	<b>485.73</b>

(iii) During an earlier years, the Company had provided bank guarantees (BG) amounting to Rs. 7.20 crore to Tecumseh Products India Limited (TPIL), to whom it had sold the compressor business in an earlier year. These guarantees were issued to cover any loss, damage, claim, action, suit, etc., arising from various representations or breaches thereof, including contingent liabilities existing on or prior to March 31, 1997, which TPIL might eventually be liable to pay. These liabilities related to pending demands in respect of sales tax, central excise, and civil matters. During the financial year 2023-24, cases related to central excise were decided in favour of TPIL by the Hon'ble High Court of Andhra Pradesh, vide its order dated March 19, 2024. The court's decision was based on a circular issued by the Central Board of Indirect Taxes and Customs (CBIC), which stated that no appeal shall be filed by the department in cases where the amount involved is less than Rs. 1.00 crore. Consequently, during the current year, the Company received back the duly discharged bank guarantees along with fixed deposits amounting to Rs. 6.92 crores from TPIL. The Company has now provided a fresh bank guarantee amounting to Rs. 0.28 crore to TPIL, covering the remaining contingent liabilities of Rs. 0.16 crore in respect of sales tax and Rs. 0.12 crore for a pending civil case.

(iv) During an earlier year, the Company had given a counter indemnity/guarantee in favor of existing directors of Transiel India Limited ("the Subsidiary") to protect their interest against any loss/ future liabilities that may arise after the name of the said subsidiary that has been struck off under the Easy Exit Scheme, 2011.

(v) There are numerous interpretative issues relating to the Supreme Court (SC) judgement on PF, dated February 28, 2019. The Company will make necessary provision on receiving further clarity on the subject.

(vi) During an earlier year, Income Tax department had passed an assessment order for the assessment year 2017-18 under Section 143(3) of the Income Tax Act, 1961, wherein the assessing officer had disallowed / added back certain items resulting into adjustment of brought forward losses/unabsorbed depreciation by Rs. 336.40 crore under normal provisions of the Income Tax Act. Under Section 115JB (MAT), the assessing officer raised demand of Rs. 13.90 crore (including interest of Rs. 4.53 crore) and further interest demand on the above demand of Rs. 5.25 crore was raised. Against the total tax demand of Rs. 19.15 Crore the Company is carrying provision of Rs. 14.67 crore (March 31, 2024 Rs. 14.54 crore) ((including interest of Rs. 5.45 crore (March 31, 2024 Rs. 5.37 crore)).

### 32. Commitments and Contingencies (Contd.)

However, based on the legal opinion taken by the Company, additions/demands are not sustainable under the provisions of the Income Tax Act. An appeal had been filed by the Company in an earlier year against the above said order with CIT(Appeals) which is under hearing and an application under Section 154 of the Income Tax Act for the rectification of the said additions/demands has also been filed in an earlier year with the Assessing Officer. The Company has already deposited (including adjustment of income tax refund of the subsequent years) a sum of Rs 9.26 crore under protest against the above demand amount.

- (vii) During an earlier year, Income Tax department had passed an assessment order for the assessment year 2018-19 under Section 143(3) of the Income Tax Act, 1961, wherein the assessing officer had disallowed / added back certain items resulting into adjustment of brought forward losses/unabsorbed depreciation by Rs. 20.30 crore under normal provisions of the Income Tax Act. An appeal had been filed by the Company in the earlier year against the above said order with CIT(Appeals) which is under hearing.
- (viii) Other income tax demands for the assessment year 2021-22 amounting to Rs. 0.06 crore (March 31, 2024 Rs. 0.06 crore).

### 33 Research and development costs

Research and development expenses included under relevant heads in the Statement of Profit and Loss amounting to Rs. 1.38 crore (March 31, 2024 Rs. 1.51 crore).

### 34 Disclosure of interest in subsidiaries and associate

S.No	Particulars	Relationship	Country of Incorporation/ Principal place of business	Ownership Interest of Mawana Sugars Limited (%)	
				As at March 31, 2025	As at March 31, 2024
(i)	Siel Industrial Estate Limited	Subsidiary*	India	0.00%	100.00%
(ii)	Siel Infrastructure & Estate Developers Private Limited	Subsidiary*	India	0.00%	100.00%
(iii)	Mawana Foods Private Limited	Subsidiary**	India	100.00%	33.74%

\* ceased to be subsidiary w.e.f October 11, 2024 (Refer note 50)

\*\* w.e.f December 31, 2024 (Refer note 49)

The Company has accounted for investments in the above entities at cost less impairment loss, if any.

### 35 Gratuity and other post-employment benefit plans

#### a) Defined contribution plans

The Company makes contributions towards provident fund to a defined contribution retirement benefit plan for qualifying employees. Under the plan, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit plan to fund the benefits. Contribution paid for provident fund is recognised as expense for the year :

Amount recognised in Statement of Profit and Loss:	Rs. Crore	
	Year ended March 31, 2025	Year ended March 31, 2024
Employer's contribution to provident fund/pension scheme	4.66	5.05

#### b) Defined Benefits Plans

Gratuity (Funded) – In accordance with Ind AS 19, actuarial valuation was done and details of the same are given below:

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. The gratuity fund is managed by the Life Insurance Corporation of India (LIC). The company's obligation in respect of gratuity plan is provided based on the actuarial valuation. The company recognises actuarial gains and losses immediately in other comprehensive income net of taxes.

**NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)**
**35 Gratuity and other post-employment benefit plans (Contd.)**
**Reconciliation of present value of defined benefit obligation as under :-**

Particulars	Rs. Crore	
	Year ended March 31, 2025	Year ended March 31, 2024
	Gratuity (Funded)	Gratuity (Funded)
<b>Change in the Present value of obligation</b>		
1 Present value of obligation at the beginning of the year	16.10	16.03
2 Add: Current service cost	1.37	1.11
3 Add: Interest cost	1.16	1.18
4 Add/(Less): Actuarial (gain) / loss	0.50	#
5 Less: Benefits paid	(2.02)	(2.22)
<b>6 Present value of obligation at the end of the year</b>	<b>17.11</b>	<b>16.10</b>
<b>Change in the fair value of plan assets</b>		
1 Fair value of plan assets at the beginning of the year	4.95	4.70
2 Add: Expected return on plan assets	0.36	0.35
3 Add: Contribution by the Company	0.22	-
4 Less: Benefits paid	(0.03)	(0.10)
5 Add/(Less): Actuarial gain/(loss)	0.03	#
<b>6 Plan assets at the end of the year</b>	<b>5.53</b>	<b>4.95</b>
<b>Liability recognized in the financial statements</b>	<b>11.58</b>	<b>11.15</b>
<b>Current</b>	1.35	1.36
<b>Non-current</b>	10.23	9.79

The plan assets are maintained with Life Insurance Corporation of India Gratuity Scheme. The details of investments maintained by Life Insurance Corporation are not available with the Company and hence have not been disclosed.

**The following tables summarise the components of net benefit expense recognised in the Statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:**

Amount recognised in Statement of Profit and Loss:	Rs. Crore	
	Year ended March 31, 2025	Year ended March 31, 2024
Current service cost	1.37	1.11
Net interest expense	0.80	0.83
<b>Amount recognised in Statement of Profit and Loss</b>		
	<b>2.17</b>	<b>1.94</b>

Amount recognised in Other Comprehensive Income:	Rs. Crore	
	Year ended March 31, 2025	Year ended March 31, 2024
Actuarial gain/(loss) on obligation arising from :		
- Demographic assumption	-	-
- Financial assumption	(0.51)	(0.14)
- Experience adjustment	0.01	0.14
Actuarial gain/(loss) on fair value of plan assets	0.03	#
<b>Amount of gain/(loss) recognised in Other Comprehensive Income</b>	<b>(0.47)</b>	<b>#</b>

# represent amount less than Rs. 50,000/-

### 35 Gratuity and other post-employment benefit plans (Contd.)

#### c) Risk exposure

##### Actuarial Risk

It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons:

Adverse Salary Growth Experience: Salary hikes that are higher than the assumed salary escalation will result into an increase in obligation at a rate that is higher than expected.

Variability in mortality rates: If actual mortality rates are higher than assumed mortality rate assumption, then the Gratuity Benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cash flow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.

Variability in withdrawal rates: If actual withdrawal rates are higher than assumed withdrawal rate assumption, then the Gratuity Benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

##### Investment Risk

For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

##### Liquidity Risk

Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign/retire from the company, there can be strain on the cash flows.

##### Market Risk

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

##### Legislative Risk

Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

**The major categories of plan assets of the fair value of the total plan assets are as follows:**

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
<b>Gratuity</b>		
Investment Details	Funded	Funded
Investment with Insurer (LIC)	100%	100%

**The principal assumptions used in determining gratuity liability for the Company's plans are shown below:**

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Discount rate (%)	6.79	7.23
Future salary increases (%)	5.00	5.00
Retirement Age (Years)	58/60	58/60
Weighted average duration (Years)	12.06	12.02
Average remaining working lives of employees (Years)	14.94	12.88
<b>Withdrawal rate</b>		
Up to 30 years	3%	3%
From 31 to 44 years	2%	2%
Above 44 years	1%	1%
Mortality rate	100% of IALM (2012-14)	100% of IALM (2012-14)

**NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)**
**35 Gratuity and other post-employment benefit plans (Contd.)**

A quantitative sensitivity analysis for significant assumption as at March 31, 2025 is as shown below:

**Gratuity Plan**
**Rs. Crore**

Assumptions	Discount rate		Future salary increase	
Discount rate	<b>0.5% increase</b>	<b>0.5% decrease</b>	<b>0.5% increase</b>	<b>0.5% decrease</b>
Impact on defined benefit obligation	(0.59)	0.62	0.63	(0.60)

A quantitative sensitivity analysis for significant assumption as at March 31, 2024 is as shown below:

**Gratuity Plan**
**Rs. Crore**

Assumptions	Discount rate		Future salary increase	
Discount rate	<b>0.5% increase</b>	<b>0.5% decrease</b>	<b>0.5% increase</b>	<b>0.5% decrease</b>
Impact on defined benefit obligation	(0.54)	0.57	0.58	(0.55)

The sensitivity analysis above has been determined based on the method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

**The following payments are expected contributions to the defined benefit plan in future years:**

**Rs. Crore**

Particulars	As at March 31, 2025	As at March 31, 2024
Within the next 12 months (next annual reporting period)	1.99	1.96
Between 1 and 2 years	2.86	1.09
Between 2 and 3 years	1.27	1.09
Between 3 and 4 years	1.30	1.07
Between 4 and 5 years	1.39	1.08
Between 5 and 6 years	0.86	1.05
Beyond 6 years	7.44	8.76
<b>Total expected payments</b>	<b>17.11</b>	<b>16.10</b>

**36 Related party transactions**
**I) List of related parties**
**a) Promoter:**

Mr. Krishna Shriram  
Mrs. Roula Shriram  
Enterprise Trust  
Siel Infrastructure & Estate Developers Private Limited (Refer note 12.1(f))

**b) Subsidiaries**

Siel Industrial Estate Limited (ceased to be subsidiary w.e.f October 11, 2024) (Refer note 50)  
Siel Infrastructure & Estate Developers Private Limited (ceased to be subsidiary w.e.f October 11, 2024) (Refer note 50)  
Mawana Foods Private Limited (w.e.f December 31, 2024) (Refer note 49)

**c) Associate**

Mawana Foods Private Limited (ceased to be an associate w.e.f December 31, 2024) (Refer note 49)

**d) Key management personnel**

Mr. Dharam Pal Sharma –Whole Time Director (retired w.e.f. August 12, 2024)  
Mr. Vikash – Chief Financial Officer (appointed w.e.f. May 30, 2023)  
Mr. Ashok Kumar Shukla - Company Secretary  
Mr. Rakesh Kumar Gangwar - Managing Director (Key Managerial Personnel – served as Executive Director – Operations until August 12, 2024 and appointed as Managing Director with effect from August 13, 2024)

# Mawana Sugars Limited

## NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

### 36 Related party transactions (Contd.)

#### e) Directors

Ms. Anuradha Dutt (appointed w.e.f. December 01, 2023)  
 Mrs. Manju Vira Gupta (ceased w.e.f. December 25, 2023)  
 Mr. Krishna Shriram  
 Mr. Satish Agarwal  
 Mr. Mukesh Chauhan  
 Mr. Arun Kumar Kaul

#### f) Enterprises over which key management personnel have significant influence:

Usha International Limited

#### g) Enterprises over which the Independent Director have significant influence

S R K A & COMPANY

### II) Transactions with related parties

Rs. Crore

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
<b>A. Promoter</b>		
<b>Dividend paid</b>		
Mr. Krishna Shriram	17.23	7.39
Mrs. Roula Shriram	#	#
Enterprise Trust	0.15	0.06
Siel Infrastructure & Estate Developers Private Limited	#	#
<b>B. Subsidiaries</b>		
<b>Siel Infrastructure &amp; Estate Developers Private Limited</b>		
Expenses recovered	-	0.01
<b>Siel Industrial Estate Limited</b>		
Expenses recovered	0.51	2.69
Conversion of outstanding balance into loan	-	7.20
Outstanding loan received (Refer note 50)	9.50	-
Loan given (including renewal)	0.80	1.50
Interest on loan received	0.46	0.37
Expenses reimbursed	0.14	0.12
<b>C. Associate</b>		
<b>Mawana Foods Private Limited</b>		
Sale of finished goods	30.71	28.39
Interest received	0.04	0.03
Expenses recovered	0.03	-
Impairment allowance on investment	1.60	-
<b>D. Key Management personnel and their relatives</b>		
<b>Remuneration to key management personnel*:</b>		
Mr. Dharam Pal Sharma	0.17	0.32
Mr. Rakesh Kumar Gangwar (in capacity of Managing Director)	1.27	1.12
Mr. Rakesh Kumar Gangwar (in capacity of Key Managerial Personnel - Executive Director Operations)	0.64	-
Mr. Vikash	1.17	0.91
Mr. Ashok Kumar Shukla	0.28	0.26

\* represent amount less than Rs. 50,000/-

\*As the future liability for gratuity and leave encashment benefits is provided on an actuarial basis for the Company as a whole, the amount pertaining to the Key Management Personnel is not ascertainable and, therefore, not included above.

**NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)**

**36 Related party transactions (Contd.)**

**Rs. Crore**

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
<b>E. Director Sitting Fee</b>		
Ms. Anuradha Dutt	0.04	0.01
Mrs. Manju Vira Gupta	-	0.02
Mr. Krishna Shriram	0.03	0.04
Mr. Satish Agarwal	0.04	0.04
Mr. Mukesh Chauhan	0.02	0.02
Mr. Arun Kumar Kaul	0.04	0.03
<b>F. Dividend paid to Director</b>		
Mrs. Manju Vira Gupta	-	#
<b>G. Enterprises over which key management personnel have significant influence</b>		
<b>Usha International Limited</b>		
Acquisition of brand 'MAWANA'	5.75	-
Expenses reimbursed	0.35	0.30
Miscellaneous purchases	-	#
Purchase of equity shares of Mawana Foods Private Limited	2.42	-
Rent paid**	0.44	0.44
Royalty paid	0.63	0.82
<b>H. Enterprises over which the Independent Director have significant influence</b>		
<b>S R K A &amp; COMPANY</b>		
Professional charges	0.06	0.04

**Balance Outstanding as at year end**

**Rs. Crore**

Particulars	As at March 31, 2025	As at March 31, 2024
<b>(a) Financial Assets -Loans and others</b>		
Siel Industrial Estate Limited (Refer note 6.2 & 6.3)	-	8.70
Siel Infrastructure & Estate Developers Private Limited	-	0.03
<b>(b) Trade and other payables</b>		
Usha International Limited	0.12	0.28
Siel Industrial Estate Limited	#	-
S R K A & COMPANY	#	#
<b>(c) Trade receivables</b>		
Mawana Foods Private Limited	2.26	2.46
<b>(d) Interest receivables</b>		
Mawana Foods Private Limited	#	0.01
<b>(e) Lease liability payable</b>		
Usha International Limited	0.78	0.41

# represent amount less than Rs. 50,000/-

\*\* included under finance cost and depreciation as per Ind AS-116.

### 36 Related party transactions (Contd.)

Transaction with Key management personnel	Rs. Crore	
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Short-term employee benefits	3.53	2.61
<b>Total compensation paid to key management personnel</b>	<b>3.53</b>	<b>2.61</b>

The amount disclosed in the table are the amounts recognised as expense during the reporting year related to key management personnel.

### 37 Segment Information

#### A. Operating Segment

As per Ind AS 108 identification of segment is based on the manner in which the entity's Chief Operating Decision Makers' (CODM) reviews the business components regularly to make decisions about allocating resources to segment and in assessing its performance.

The Operating segments of the Company are identified as Sugar, Power and Distillery as the Chief Operating Decision Maker reviews business performance of the Company on the basis of these segments.

#### B. Geographical Segment

The Company mainly caters to domestic markets. However, there is export/deemed export of Sugar which has been presented in geographical segment.

#### C. Segment accounting policies:

In addition to the significant accounting policies applicable to the business segments as set out in note 2 above, the accounting policies in relation to segment accounting are as under:

##### i) Segment revenue and expenses:

Segment revenue and expenses are directly attributable to the segments.

##### ii) Segment assets and liabilities:

Segment assets include all operating assets used by a segment and consist principally of operating cash, debtors, inventories and property, plant and equipments, net of allowances and provisions which are reported as direct offsets in the balance sheet. Segment liabilities include all operating liabilities and consist principally of creditors and accrued liabilities. While most of the assets/ liabilities can be directly attributed to individual segment, the carrying amount of certain assets/ liabilities pertaining to two or more segments are allocated to the segments on a reasonable basis.

##### iii) Inter segment revenues:

Inter segment revenues between operating segments are accounted for at market price. These transactions are eliminated in consolidation.

## NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

#### D. Information about business segments

Particulars	Sugar		Power		Distillery		Unallocated		Elimination		Total	
	March 31, 2025		March 31, 2024		March 31, 2025		March 31, 2024		March 31, 2025		March 31, 2024	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
<b>Segment Revenue</b>												
External sales	1,251.12	1,112.72	17.40	18.34	173.21	219.88	-	-	(511.74)	(605.54)	-	1,441.73
Inter segment revenue	297.92	341.03	209.29	256.31	4.53	8.20	-	-	-	-	-	1,350.94
Other operating revenues	3.27	4.01	-	0.09	0.14	-	-	-	(511.74)	(605.54)	-	3.36
<b>Revenue from operations</b>	<b>1,552.31</b>	<b>1,457.76</b>	<b>226.69</b>	<b>274.65</b>	<b>177.83</b>	<b>228.22</b>	<b>-</b>	<b>2.44</b>	<b>23.08</b>	<b>(511.74)</b>	<b>(605.54)</b>	<b>1,445.09</b>
Other income (other than interest income)	4.80	0.73	-	-	2.22	-	-	-	-	-	-	7.24
<b>Total income (other than interest income)</b>	<b>1,557.11</b>	<b>1,458.49</b>	<b>226.69</b>	<b>274.65</b>	<b>177.83</b>	<b>230.44</b>	<b>2.44</b>	<b>23.08</b>	<b>(511.74)</b>	<b>(605.54)</b>	<b>1,452.33</b>	<b>1,381.12</b>
<b>Expenses</b>												
Cost of materials consumed	1,100.43	1,222.82	165.88	198.72	126.85	177.56	-	-	(275.65)	(355.23)	-	1,117.51
Purchase of stock-in-trade	11.27	12.05	-	-	-	-	-	-	-	-	-	11.27
Changes in inventories of finished goods, stock-in-trade and work-in-progress	7.13	(197.21)	0.29	(0.71)	(3.71)	(20.40)	-	-	(7.67)	29.05	-	(3.96)
Employee benefit expenses	61.46	55.63	10.32	10.24	6.32	5.87	9.26	8.99	-	-	-	87.35
Depreciation and amortisation expense	15.07	14.70	9.57	7.83	8.08	11.92	0.78	0.85	-	-	-	33.50
Other expenses	272.04	304.24	21.58	32.82	34.21	48.15	10.47	8.28	(228.42)	(279.36)	-	109.89
<b>Total Expenses</b>	<b>1,467.40</b>	<b>1,412.23</b>	<b>207.64</b>	<b>248.90</b>	<b>171.75</b>	<b>223.10</b>	<b>20.51</b>	<b>18.12</b>	<b>(511.74)</b>	<b>(605.54)</b>	<b>1,355.56</b>	<b>1,296.81</b>
<b>Results</b>												
Segment results	89.71	46.26	19.05	25.75	6.08	7.34	-	-	-	-	-	114.84
Unallocated income/(expenses) (net of income/expenses)	-	-	-	-	-	-	(18.07)	4.96	-	-	-	(18.07)
<b>Operating Profit / (Loss)</b>	<b>89.71</b>	<b>46.26</b>	<b>19.05</b>	<b>25.75</b>	<b>6.08</b>	<b>7.34</b>	<b>(18.07)</b>	<b>4.96</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>84.31</b>
Less : Finance costs												
Add : Interest income												
<b>Profit before tax and exceptional items</b>												
Add : Exceptional items - Income (net)												
<b>Profit before tax</b>												
Less : Tax expenses												
<b>Profit for the year</b>												
<b>Other Information</b>												
<b>A. Assets</b>												
Segment assets	874.69	886.45	99.33	105.31	-	-	-	-	-	-	-	-
Unallocated assets	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Assets</b>	<b>874.69</b>	<b>886.45</b>	<b>99.33</b>	<b>105.31</b>	<b>77.22</b>	<b>80.43</b>	<b>-</b>	<b>42.70</b>	<b>139.15</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>B. Liabilities</b>												
Segment liabilities	157.25	165.67	2.40	4.14	4.52	5.65	-	-	-	-	-	-
Borrowings	-	-	-	-	-	-	-	-	-	-	-	-
Unallocated liabilities	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Liabilities</b>	<b>157.25</b>	<b>165.67</b>	<b>2.40</b>	<b>4.14</b>	<b>4.52</b>	<b>5.65</b>	<b>437.71</b>	<b>587.49</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>601.88</b>
<b>C. Others</b>												
Capital expenditure	19.63	21.92	0.76	2.19	0.76	1.70	0.88	0.62	-	-	-	22.03
Depreciation and amortisation	15.07	14.70	9.57	7.83	8.08	11.92	0.78	0.85	-	-	-	33.50

# Mawana Sugars Limited

## NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

### 37 Segment Information (Contd.)

#### Geographical information :

(i) Revenue from external customers: The Company's revenue from external customers by location of operation are as under:

Particulars	Year	Rs. Crore		
		India	Outside India	Total
External revenue	2024-25	1,445.09	-	1,445.09
	2023-24	1,345.32	9.77	1,355.09

(ii) Non-current assets: The Company has common property, plant and equipment for manufacturing goods, hence, these are not separately identifiable.

#### Information about major customer :

No single external customer contributed 10% or more of the Company total revenue during the current year and previous year.

### 38 A. Fair values

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values.

Rs. Crore

Particulars	Carrying Value		Fair Value	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
<b>Financial assets</b>				
<b>Fair Valuation at Amortized cost :</b>				
Investment in 5% Redeemable Cumulative Preference shares (refer note 50)	-	14.60	-	14.60
Investment in 5% Optionally Convertible Cumulative Preference shares (refer note 50)	-	6.44	-	6.44
Security deposits paid	0.30	0.47	0.30	0.47
Dues from employees	0.17	0.07	0.17	0.07
Loans to subsidiary	-	8.70	-	8.70
Loans and advances to related parties	-	0.03	-	0.03
Loans and advances to others	2.86	2.65	2.86	2.65
Interest subvention receivable	-	0.06	-	0.06
Interest receivable others	0.38	0.54	0.38	0.54
<b>Total</b>	<b>3.71</b>	<b>33.56</b>	<b>3.71</b>	<b>33.56</b>
<b>Financial Liabilities</b>				
<b>Fair Valuation at Amortized cost :</b>				
Borrowings	418.13	567.53	418.13	567.53
Lease Liabilities	0.85	0.59	0.85	0.59
<b>Total</b>	<b>418.98</b>	<b>568.12</b>	<b>418.98</b>	<b>568.12</b>

The management assessed that cash and cash equivalents, other bank balances, fixed deposits, trade receivables, trade payables and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

### 38 B. Fair Value Hierarchy

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is insignificant to the fair value measurements as a whole.

Level 1 : Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2 : Valuation techniques for which the lowest level inputs that has a significant effect on the fair value measurement are observable, either directly or indirectly.

**NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)**
**38 B. Fair Value Hierarchy (Contd.)**

Level 3 : Valuation techniques for which the lowest level input which has a significant effect on fair value measurement is not based on observable market data.

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

**Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2025:** Rs. Crore

Particulars	Date of valuation	Fair value measurement using			
		Total	Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
		(Level 1)	(Level 2)	(Level 3)	
<b>I. Assets measured at fair value (Note 38A):</b>					
<b>Fair Valuation at Amortized cost :</b>					
Security deposits paid	March 31, 2025	0.30	-	-	0.30
Dues from employees	March 31, 2025	0.17	-	-	0.17
Loans and advances to others	March 31, 2025	2.86	-	-	2.86
Interest receivable others	March 31, 2025	0.38	-	-	0.38
		<b>3.71</b>	-	-	<b>3.71</b>
<b>II. Liabilities for which fair value is disclosed (Note 38A):</b>					
<b>Fair Valuation at Amortized cost :</b>					
Borrowings	March 31, 2025	418.13	-	-	418.13
Lease Liabilities	March 31, 2025	0.85	-	-	0.85

There have been no transfers among Level 1, Level 2 and Level 3 during the year ended March 31, 2025.

**Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2024:** Rs. Crore

Particulars	Date of valuation	Fair value measurement using			
		Total	Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
		(Level 1)	(Level 2)	(Level 3)	
<b>I. Assets measured at fair value (Note 38A):</b>					
<b>Fair Valuation at Amortized cost :</b>					
Investment in 5% Redeemable Cumulative Preference shares	March 31, 2024	14.60	-	14.60	-
Investment in 5% Optionally Convertible Cumulative preference Shares	March 31, 2024	6.44	-	6.44	-
Security deposit paid	March 31, 2024	0.47	-	-	0.47
Dues from employees	March 31, 2024	0.07	-	-	0.07
Loans to subsidiary	March 31, 2024	8.70	-	-	8.70
Loans and advances to related parties	March 31, 2024	0.03	-	-	0.03
Loans and advances to others	March 31, 2024	2.65	-	-	2.65
Interest subvention receivable	March 31, 2024	0.06	-	-	0.06
Interest receivable others	March 31, 2024	0.54	-	-	0.54
		<b>33.56</b>	-	<b>21.04</b>	<b>12.52</b>
<b>II. Liabilities for which fair value is disclosed (Note 38A):</b>					
<b>Fair Valuation at Amortized cost :</b>					
Borrowings	March 31, 2024	567.53	-	-	567.53
Lease Liabilities	March 31, 2024	0.59	-	-	0.59

There were no transfers among Level 1, Level 2 and Level 3 during the year ended March 31, 2024.

### 38 B. Fair Value Hierarchy (Contd.)

#### Valuation technique used to determine fair value

Type	Valuation technique	Significant observable input
Financial liabilities (Borrowings)	Discounted Cash Flow method: The valuation model considers the present value of expected payment, discounted using a risk adjusted discount rate.	Not applicable
Subsidies Recoverable (Other Financial Assets)	Discounted Cash Flow method: The valuation model considers the present value of expected receipt, discounted using a risk adjusted discount rate.	Not applicable

### 39. Financial risk management objectives and policies

The Company's principal financial liabilities comprise of borrowings, trade payables, other payables, security deposits received, capital creditors and employee related payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include trade and other receivables, and cash and cash equivalent that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is responsible to ensure that Company's financial risk activities which are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

#### Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of change in market price. Market risk comprise of interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk.

#### Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. However, as the Company does not have any outstanding floating rate interest bearing long term and short term debts at the balance sheet date. Therefore, a change in interest rates on the reporting date would neither affect profit or loss nor affect equity.

#### Fair value sensitivity analysis for fixed rate instruments

The Company does not have any fixed rate financial assets and liabilities at fair value through profit and loss. Therefore, a change in interest rates at the reporting date would neither affect profit or loss nor affect equity.

#### Foreign currency risk

The Company is exposed to foreign exchange risk arising from foreign currency transactions primarily with respect to USD. Foreign exchange risk arises from future commercial transactions and recognised asset and liabilities denominated in a currency that is not the Company's functional currency. The Company imports certain materials which exposes it to foreign currency risk. The Company also exports finished goods which exposes it to foreign currency risk.

#### Commodity price risk

Sugar industry being cyclical in nature, realisations get adversely affected during downturn. Higher cane price or higher production than the demand ultimately affect profitability. The Company has mitigated this risk to some extent by well integrated business model by diversifying into co-generation and distillation, thereby utilizing the by-products. The Company focuses on being amongst the lowest cost producers in these businesses.

#### Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables, security deposits and others) and from its financing activities, including deposits with banks. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount.

##### (i) Trade receivables

Customer credit risk is managed as per the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored.

**NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)**
**39. Financial risk management objectives and policies (Contd.)**

An impairment analysis is performed at each reporting date on an individual basis for major customer. The calculation is based on exchange losses historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed below. The Company does not hold collateral as security except for security deposits from customers. The Company evaluates the concentration of risk with respect to trade receivables as low on the basis of past default rates of its customers.

Based on the historical data, loss on collection of receivable is not material hence no additional provision considered.

**Movement in provisions of doubtful debts, advances and impairment in the value of investment**

Particulars	Trade Receivables	Loans/other assets	Investments	Rs. Crore
Provision as at April 01, 2023	0.12	16.42	12.17	
Provision made during the year 2023-24	-	0.18	-	
Provision written back during the year 2023-24	(0.12)	(15.37)	-	
<b>Provision as at March 31, 2024</b>	-	<b>1.23</b>	<b>12.17</b>	
Impairment made during the year 2024-25 (Refer note 49)	-	-	1.60	
<b>Provision as at March 31, 2025</b>	-	<b>1.23</b>	<b>13.77</b>	

**(ii) Financial instruments and cash deposits**

Credit risk from balances with banks is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Company's finance committee. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

**Liquidity risk**

The Company manages its liquidity for working capital requirement to ensure smooth operation of the business.

The Company also ensures the long term funds requirement like capex or otherwise are met through adequate availability of long term capital (debt/equity).

Particulars	Less than 1 year	1-3 years	>3 years	Total	Carrying value
Borrowings	418.13	-	-	418.13	418.13
Lease liabilities	0.44	0.41	-	0.85	0.85
Trade payables					
- Total outstanding dues to micro and small enterprises	2.50	-	-	2.50	2.50
- Total outstanding dues of creditors other than micro and small enterprises	131.50	-	-	131.50	131.50
Employees related payables	7.27	-	-	7.27	7.27
Trade deposits received	4.55	-	-	4.55	4.55
Payable towards capital goods	0.80	-	-	0.80	0.80
Unpaid dividend	0.96	-	-	0.96	0.96
Interest payable	0.76	-	-	0.76	0.76
<b>Total</b>	<b>566.91</b>	<b>0.41</b>	-	<b>567.32</b>	<b>567.32</b>

### 39. Financial risk management objectives and policies (Contd.)

As at March 31, 2024

Rs. Crore

Particulars	Less than 1 year	1-3 years	>3 years	Total	Carrying value
Borrowings	567.60	-	-	567.60	567.53
Lease liabilities	0.52	0.07	-	0.59	0.59
Trade payables					
- Total outstanding dues to micro and small enterprises	6.54	-	-	6.54	6.54
- Total outstanding dues of creditors other than micro and small enterprises	143.80	-	-	143.80	143.80
Employees related payables	4.15	-	-	4.15	4.15
Trade deposits received	3.63	-	-	3.63	3.63
Payable towards capital goods	0.88	-	-	0.88	0.88
Unpaid dividend	0.54	-	-	0.54	0.54
Interest payable	0.69	-	-	0.69	0.69
<b>Total</b>	<b>728.35</b>	<b>0.07</b>	<b>-</b>	<b>728.42</b>	<b>728.35</b>

### 40 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents.

Rs. Crore

Particulars	As at March 31, 2025	As at March 31, 2024
Borrowings (Refer note 13)	418.13	567.53
Lease liabilities(Refer note 14)	0.85	0.59
Trade Payables (Refer note 16)	134.00	150.34
Cash and cash equivalents (Refer note 10)	(6.10)	(9.98)
<b>Net debts</b>	<b>546.88</b>	<b>708.48</b>
<b>Total equity</b>	<b>492.06</b>	<b>448.39</b>
<b>Capital plus net debt</b>	<b>1,038.94</b>	<b>1,156.87</b>
<b>Gearing ratio (%)</b>	<b>52.64%</b>	<b>61.24%</b>

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings.

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2025 and March 31, 2024.

41 Pursuant to judgment dated May 10, 1996 passed by the Hon'ble Supreme Court of India in a public interest litigation, the Company had surrendered 46.58 acres of land to the Delhi Development Authority ('DDA') for development of green belt and open spaces as directed by the Court.

DDA leased out some portion of the surrendered land Delhi Metro Rail Corporation ('DMRC') for a commercial consideration. The Company challenged the leasing of surrendered land to DMRC before the Hon'ble Supreme Court. Hon'ble Supreme Court vide its Order dated March 25, 2010 directed that DDA, cannot use the surrendered land for any purpose other than the specified use and further directed that any consideration received for a commercial use of the surrendered land would entitle the Company to get fifty percent (50%) of such consideration.

In terms of the above directions of the Hon'ble Supreme Court, the Company had received in earlier years a sum of Rs. 15.92 crore. Since there was delay in making payments, the Company has demanded interest on delayed payments by filing suit in Delhi High Court which is pending.

**NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)**

**42** The Company had executed a Business Transfer Agreement on November 18, 2016 with Indian Potash Limited (IPL) and sold off its Agreed Assets and Liabilities excluding contingent liabilities of Titawi Sugar Complex (unit) as a going concern on an 'AS IS WHERE IS WHAT IS' basis by way of a slump sale. The sale was governed by a Business Transfer Agreement (BTA) which stipulated completion of certain activities within a certain time frame.

A sum of Rs. 2.10 crore (March 31, 2024 Rs. 2.10 crore) is recoverable from IPL, out of which Rs. 2.00 crore (March 31, 2024 Rs. 2.00 crore) pertains to pending transfer of certain portion of freehold land in the name of IPL and balance of Rs. 0.10 crore (March 31, 2024 Rs. 0.10 crore) pertains to other matters. The management expects the same to be recovered in full post completion of the specified conditions.

**43 Dues to Micro and Small Enterprises**

Particulars	Rs. Crore	
	As at March 31, 2025	As at March 31, 2024
The principal amount and the interest due thereon remaining unpaid to any supplier:		
- Principal amount*	2.55	6.57
- Interest thereon	0.01	0.01
the amount of interest paid by the buyer in terms of section 16, alongwith the amounts of the payment made to the supplier beyond the appointed day.	-	-
the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	-	-
the amount of interest accrued and remaining unpaid	0.01	0.01
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually to be paid.	0.01	0.01

\* including Rs 0.05 crore (March 31, 2024 : Rs. 0.03 crore) on account of capital goods supplier.

**44 Disclosure required under Section 186 (4) of the Companies Act 2013.**

Particulars of Loans given:							Rs. Crore
Name of the Entity	Year	Opening Balance	Loan Given / Conversion	Loan Repaid	Outstanding Balance	Purpose	
Siel Industrial Estate Limited *	2024-25	8.70	0.80	9.50	-	General Business Purpose	
	2023-24	1.00	7.70	-	8.70	General Business Purpose	

\* During the previous year, the Company had granted a loan of Rs. 7.20 crore to Siel Industrial Estate Limited (Siel IE), (an erstwhile wholly owned subsidiary company) for a period of upto two years at the rate of interest of 9.50% per annum. Further, the Company also sanctioned an unsecured loan of Rs. 4.00 crore for a period of two years at the rate of interest of 9.50% per annum, out of which Rs. 0.50 crore was disbursed till previous year and Rs.0.80 crore has been disbursed during the current year. Entire loan has been repaid by the subsidiary during the current year.

During the financial year 2021-22, the Company had provided an unsecured loan of Rs. 1.00 crore to Siel IE repayable on call for a period of upto one year at the rate of interest of 9.50% per annum. The said loan was extended for further period of one year during the previous year and is further extended for a period of one year during the current year on the existing terms and conditions. Entire loan has been repaid by the subsidiary during the current year.

**45**

- (a) During the previous year, the Company had sold non-agricultural land admeasuring 40.493 acres situated at Village Bajhera Kalan, Tehsil-Hapur, Uttar Pradesh for a total consideration of Rs. 28.13 crore and accounted for a gain of Rs. 23.38 crore (net of commission) which was included under the head "other income".
- (b) Pursuant to a favorable order from the Hon'ble National Company Law Appellate Tribunal (NCLAT) which set aside the order passed by CCI for alleged contravention of provisions of The Competition Act, 2002 in respect of joint tender floated by Oil Marketing Companies (OMCs) for supply of Ethanol, the Company had recorded income amounting to Rs. 2.45 crore during the previous year and the same was included under "other income".
- (c) Pursuant to a favorable order received from Hon'ble High Court of Delhi against an ex-vendor in 2015 and its execution petition filed in 2021, the Company has received an Arbitration Award of Rs. 2.20 crore during the year and included the same under 'Other Income'.

**46** In view of Hon'ble Allahabad High Court order dated December 21, 2017 for stay on the retrospective operation of orders of UP State Government on reduction in rate of society commission pertaining to earlier years, the Company had provided differential amount of Rs. 28.55 crore in the books of accounts during earlier years. UP Sugar Mill Association had approached Hon'ble Supreme Court of India for stay of operation of the said High court order during an earlier year. The matter is pending before Hon'ble Supreme Court.

**47** The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 28, 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period when the Code becomes effective.

**48** Recovery Certificates (RC) were issued in the past by the Cane Commissioner for payment of Cane Dues, Society Commission, interest on delayed cane payments etc. for previous crushing seasons together with collection charges as per Rules.

The Company had paid all the cane dues to the farmers and challenged the levy of 'collection charges' before the Hon'ble High Court of Allahabad by filing writ petitions for some of the years. Hon'ble High Court of Allahabad allowed the writ petitions for these years and quashed the demand of collection charges by the State Government. In view of the management, the legal position settled by High Court in this matter has attained finality and the State Government has not challenged it before any superior court.

However, the demand for collection charges for the years 2012-13 to 2015-16 amounting to Rs. 141.33 crore (Previous year Rs. 141.33 crore) are still pending. These demands are also liable to be quashed on the same ground as in the earlier years and Company has initiated necessary process in this regard with the relevant authorities and thus, potential liability is considered to be remote.

State Government's waiver of interest on delayed cane payments by sugar mills has been involved in legal proceedings before Hon'ble High Court of Allahabad for sugar season 2012-13 to 2014-15 and a formal demand for payment of any interest for the said sugar seasons aforementioned, has not been raised. However, as good corporate governance and as an abundant caution, the Company has disclosed a contingent liability in respect of interest on delayed cane payment of Rs. 479.86 crores upto March 31, 2025 (March 31, 2024 : Rs. 477.79 crore) under Note 32.B(b)(ii), (including a liability of Rs. 144.80 crore (March 31, 2024 : Rs. 144.80 crore) based on demand notice from Cane Commissioner of UP for the sugar season 2012-13 to 2014-15).

Consequent upon the directions of the Hon'ble High Court to the Cane Commissioner to decide afresh the matter on the delayed cane payments, Company and the sugar industry has represented to the Cane Commissioner for waiver, which is yet to be decided by Cane Commissioner. The Company is hopeful to get the waiver from State Government. Based on the legal review of the facts of this case, possibility of any further liability (including interest thereon) crystalizing is remote and hence, no provision is considered necessary.

**49** As at March 31, 2024, the Company held 67,59,801 (33.74%) equity shares in Mawana Foods Private Limited ('MFPL') and was an associate company. During the current year, the Company has purchased balance 1,32,77,049 (66.26%) fully paid-up equity shares of Rs. 10/- each held by Usha International Limited (UIL) in Mawana Foods Private Limited (MFPL) for a total consideration of Rs. 2.42 crore. The Share Purchase and the business acquisition has been completed and accordingly, MFPL has become a wholly owned subsidiary of Mawana Sugars Limited w.e.f. December 31, 2024.

Till the year ended March 31, 2024, the Company recorded an impairment allowance of Rs. 12.17 crores. Further, based on the current purchase price, the Company recognized an additional impairment allowance to the extent of excess carrying value over its value in use by Rs 1.60 crore in the financial statements and disclosed the same as exceptional item.

**50** A committee of independent directors in their meeting dated July 13, 2024 and thereafter on August 31, 2024 resolved to sell the equity and preference shares of its subsidiary companies namely SIEL Industrial Estate Limited ('Siel IE') and SIEL Infrastructure and Estate Developers Private Limited ('Siel IED'), along with all their respective assets and liabilities, on "AS IS WHERE IS" basis subject to the completion of legal due diligence.

In relation to the above, the Company entered into Memorandum of Understanding (MOU) on September 07, 2024 with M/s Singla Builders and Promotors Limited ('SBP') for sale of Equity and Preference Shares along with all their respective assets and liabilities, on "AS IS WHERE IS" for a total consideration of Rs 117.00 crore, including repayment of loans aggregating to Rs. 9.50 crore given by the Company to Siel IE. The Share Purchase Agreement was signed on October 11, 2024 and consideration was received by the Company during the year. The Company derecognised its investments in the said subsidiaries and recorded a net gain of Rs. 22.99 crore which has been disclosed as an exceptional item.

Further, during the tax financial year ended March 31, 2013, the Company had sold equity shares of Siel-IE to Siel-IED for a consideration of Rs. 135.02 crore resulting in profit of Rs. 121.54 crore, However, this profit was not recorded during the same year in view statutory auditors' qualification. Based on opinions from tax experts and legal precedents, Company has considered the cost of acquisition of shares of Siel IED at Rs. 135.02 crore for the purpose of determination of tax liability relating to the above transaction and is determined at Rs. 7.17 crore.

**NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)**

**51** The Company sells sugar as per Sugar Sales Mechanism issued by Ministry of Consumer Affairs, Food and Public Distribution under which monthly sales quota is allocated to sugar mills in the country. As on March 31, 2025, the Company is carrying inventory of sugar of Rs. 719.50 crore (comprising finished goods Rs. 705.58 crore and work in progress Rs. 13.92 crore) (March 31, 2024 Rs. 743.45 crore (comprising finished goods Rs. 731.79 crore and work in progress Rs. 11.66 crore)) with valuation at lower of cost and net realizable value.

Future net realizable value shall be dependent upon the factors on minimum support price, monthly sale quota and sugar production in the Country. The Company expects to realise the value at least to the extent stated in the accounts.

**52 Ratio Analysis and its elements**

Ratio	Numerator	Denominator	March 31, 2025	March 31, 2024	% change	Reason for variance
Current Ratio	Current Assets	Current Liabilities	1.50	1.19	26%	Due to lower utilization of working capital borrowings
Debt Equity Ratio	Total Debts including working capital limits and lease liabilities	Shareholder's Equity including reserves	0.85	1.27	33%	Due to increase in profit in current year as compared to previous year.
Debt Service Coverage Ratio	Profit after tax before interest, depreciation and exceptional items.	Interest expenses, principal payment of instalment of loans and lease liabilities	3.82	1.90	101%	Due to increase in profit in current year as compared to previous year.
Return on Equity Ratio	Net Profit after tax	Average Shareholder's Equity	0.15	0.10	50%	Due to increase in net profit in current year as compared to previous year.
Inventory Turnover Ratio	Cost of good sold	Average Inventories	1.37	1.47	(7%)	Not Applicable
Trade receivable Turnover Ratio	Net sales = Gross sales - sales return	Average Trade Receivables	38.75	37.77	3%	Not Applicable
Trade Payable Turnover Ratio	Net purchases = Gross purchases - purchase return	Average Trade Payables	7.93	7.15	11%	Not Applicable
Net Capital Turnover Ratio	Net sales = Gross sales - sales return	Working capital = Current Assets - Current Liabilities	4.89	9.38	(48%)	Due to increase in net working capital.
Net Profit Ratio	Net Profit	Net sales = Gross sales - sales return	0.05	0.03	67%	Due to increase in net profit in current year as compared to previous year.
Return on Capital Employed	Earning before exceptional item, interest and taxes	Capital Employed including long term debts	0.20	0.20	0%	Not Applicable
Return on Investment	Provision/reversal of impairment allowance on investment and profit/(loss) on sale of investment	Average Investments	(0.02)	0.02	(200%)	Due to sale of subsidiaries

**53 Other Statutory Information**

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property under the Benami Transaction (Prohibition) Act, 1988 & rules made thereunder.
- (ii) The Company does not have any transaction with struck off companies under Section 248 of the Companies Act, 2013.
- (iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

### 53 Other Statutory Information (Contd.)

- a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
- b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(vi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

(vii) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(viii) The Company has not been declared a wilful defaulter by any bank or financial institution or other lender (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.

54 The Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from a bank during the year on the basis of security of current assets of the Company. The Company has filed the quarterly returns/statements with such bank during the year which are in agreement with the books of accounts of the Company.

55 On February 07, 2025, the Company received a letter for inspection under Section 206(5) of the Companies Act, 2013 from the Ministry of Corporate Affairs (MCA) seeking certain information. The Company has duly submitted all the requisite information under its letter dated February 17, 2025 and MCA has not reverted to the Company after the receipt of the requisite information. Based on expert legal inputs and considering that the information sought in present proceedings are essentially the same as in previous inspection in financial year 2021-22 where no adverse findings report was issued by MCA, the Company is confident that no adverse impact is likely to arise in this regard.

56 Based on a legal assessment, the Company has determined that the Company is not required to spend any amount during the current year pursuant to its Corporate Social Responsibility Policy as required by the Section 135(5) of the Companies Act, 2013 since it does not have net profits during the last three preceding years owing brought forward excess of expenditure over income as referred to in Explanation (I) to Section 198 of the Companies Act, 2013.

57 The Company has migrated to SAP Rise from SAP ECC 6.0 during the year. The accounting software used for maintaining its books of account has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that audit trail feature is not enabled for certain changes that can be made using certain privileged/ administrative access rights. Further, audit trail feature was not enabled for part of the year at database level for the SAP ECC 6.0 software for part of the year. Further, there are no instance of audit trail feature being tampered with in respect of accounting software except in regards to privileged/administrative access rights / database level in SAP ECC 6.0 software. Additionally, the audit trail of prior year has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in the prior year.

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As per our report of even date attached  
For **S.R.Batliboi & Co. LLP**  
Chartered Accountants  
ICAI Firm Registration No.: 301003E/E300005

For and on behalf of the Board of Directors  
**of Mawana Sugars Limited**

per **AMIT GUPTA**  
Partner  
Membership No. : 501396

**VIKASH**  
Chief Financial Officer  
**Place: Gurugram**

**MUKESH CHAUHAN**  
Director  
(DIN: 09387262)  
**Place: Gurugram**

**Place: Gurugram**  
**Date: May 24, 2025**

**ASHOK KUMAR SHUKLA**  
Company Secretary  
(Membership No. ACS-29673)  
**Place: Gurugram**

**RAKESH KUMAR GANGWAR**  
Managing Director  
(DIN: 09485856)  
**Place: Gurugram**

**Form AOC-1**

**Pursuant to first proviso to sub section (3) of section 129 read with rule 5 of the Companies (Accounts) Rules, 2014  
Statement containing salient features of the financial statement of subsidiaries and associate**

(Rs. Crore)

S. No.	Name of Subsidiary Company	Share Capital	Other Equity	Total Assets	Total Liabilities	Investments	Turnover	Profit/ (loss) before taxation	Provision for taxation w/ back	Profit/ (Loss) after taxation	Proposed dividend	% of shareholding
1	Siel Industrial Estate Limited*	-	-	-	-	-	0.37	(2.01)	0.31	(1.70)	-	0.00
2	Siel Infrastructure & Estate Developers Private Limited*	-	-	-	-	-	0.01	#	-	#	-	0.00
3	Mawana Foods Private Limited **	20.04	(19.20)	5.29	4.45	-	36.33	(0.11)	-	(0.11)	-	100.00

# represent amount less than Rs. 50,000/-

\* The Parent Company sold its shareholding (Equity and Preference) held in Siel Industrial Estate Limited (Siel IE) and in Siel Infrastructure and Estate Developers Private Limited (Siel IED) along with all their respective assets and liabilities, on an "AS IS WHERE IS WHAT IS" basis for a total consideration of Rs.117 crore, including repayment of loans aggregating to Rs. 9.50 crore given by the Parent Company to Siel IE. The Share Purchase Agreement was signed on October 11, 2024 and consideration was received by the Parent Company during the year. The Parent Company derecognised its investments in the said subsidiaries w.e.f. October 11, 2024.

\*\* During the current year, the Parent Company has purchased 1,32,77,049 (including four shares held through Nominees) fully paid-up equity shares of Rs. 10/- each i.e. remaining 66.26% of Mawana Foods Private Limited held by Usha International Limited for a total consideration of Rs. 2.42 crore. The Share Purchase and business acquisition was completed on December 31, 2024 and accordingly, Mawana Foods Private Limited became a wholly owned subsidiary of Parent Company w.e.f. December 31, 2024.

For and on behalf of the Board of Directors  
of **Mawana Sugars Limited**

**VIKASH**  
Chief Financial Officer  
**Place: Gurugram**

**MUKESH CHAUHAN**  
Director  
(DIN: 09387262)  
**Place: Gurugram**

**Place: Gurugram**  
**Date: May 24, 2025**

**ASHOK KUMAR SHUKLA**  
Company Secretary  
(Membership No. ACS-29673)  
**Place: Gurugram**

**RAKESH KUMAR GANGWAR**  
Managing Director  
(DIN: 09485856)  
**Place: Gurugram**

# Mawana Sugars Limited

## INDEPENDENT AUDITOR'S REPORT

### To the Members of Mawana Sugars Limited

### Report on the Audit of the Consolidated Financial Statements

#### Opinion

We have audited the consolidated financial statements of Mawana Sugars Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associate comprising of the consolidated Balance sheet as at March 31, 2025, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries and associate, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associate as at March 31, 2025, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described

in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Group and associate, 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 financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matters	How our audit addressed the key audit matter
<b>Sale of net assets on divestment of subsidiaries by Holding Company</b> (as described in Note 53 of the consolidated financial statements)	<p>During the year, the Group sold the net assets including land parcel on divestment of subsidiaries "Siel Industrial Estate Limited (Siel IE)" and "Siel Infrastructure and Estate Developers Private Limited (Siel IED)" for a consideration of Rs. 117.00 crore and recorded a net gain of Rs. 62.70 crore which has been disclosed as an exceptional item. The net assets of these subsidiaries primarily comprised of a land parcel. The sales consideration for the purposes of computation of income tax payable on the abovesaid transaction was determined at Rs. 266.34 crore based on prevailing stamp duty rate of land parcel.</p> <p>Further, the determination of cost of acquisition required detailed assessment of relevant provisions of Income-tax Act, 1961 since it considered intra-group transactions between the Company and these subsidiaries undertaken in earlier years.</p> <p>Our audit procedures included the following: -</p> <ul style="list-style-type: none"><li>• We obtained and read the board minutes, the minutes of sub-committee of independent directors (who oversaw the sale process) along with periodic filings made to the stock exchanges.</li><li>• We read the share purchase agreement with the buyer.</li><li>• We obtained and reviewed the terms of MOU with Department of Industries &amp; Commerce, Government of Punjab stipulating development of industrial estate on the land held by the subsidiaries by October 04, 2024 (extended period) and there was no further extension in place at the time of sale.</li><li>• We obtained the sale process report of an external international property consultant expert who was mandated to run the sale process and performed enquiries with the management's expert to gain understanding of the process followed to determine the fair value of shares of the subsidiaries.</li></ul>

## INDEPENDENT AUDITOR'S REPORT (Contd.)

Key audit matters	How our audit addressed the key audit matter
<b>Sale of net assets on divestment of subsidiaries by Holding Company</b> (as described in Note 53 of the consolidated financial statements)	
<p>Considering the significance of the transaction and the complexities / judgements/ estimates involved as stated above, the sale of net assets and consequential impact thereof has been considered a key audit matter.</p>	<ul style="list-style-type: none"> <li>• We involved our tax experts to review the opinions obtained by the management from external experts on taxability and computation of capital gain, cost of acquisition and calculation of income tax on capital gain.</li> <li>• We obtained the report from the Holding Company's external valuation specialist to evaluate the methodology and key assumptions considered by management's expert to determine the fair value of investments.</li> <li>• We performed enquiries and obtained necessary representations from the management and those charged with governance.</li> <li>• We evaluated the accounting treatment followed by the management and adequacy of disclosures as per the applicable accounting standards.</li> </ul>
<b>Determination of valuation of inventory of sugar as at March 31, 2025</b> (as described in note 52 of the consolidated financial statements)	
<p>As at March 31, 2025, the Group is carrying inventory of sugar (finished goods and work in progress) amounting to Rs. 720.23 crore. The inventories are valued in accordance with Group's accounting policies described in note 2.2(xi) to the financial statements.</p> <p>The relative size of the inventory of sugar as at March 31, 2025 is significant to the financial statements and significant judgements are involved in determining:</p> <p>(i) cost of inventory which is based on factors such as cost of by-products credit which is based on its net realisable value,</p> <p>(ii) the net realizable value of closing inventory of sugar.</p> <p>Accordingly, valuation of inventory of sugar was determined to be a key audit matter in our audit of the consolidated financial statements.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>• We have read and assessed the Group's accounting policies with respect to inventory valuation for compliance with relevant accounting standards.</li> <li>• We have evaluated the design and tested the operating effectiveness of controls established by the management in determination of valuation of inventory of sugar.</li> <li>• We tested the method used by the Company for arriving at the cost of inventory of sugar.</li> <li>• We have evaluated the appropriateness of data used by the management in determining the net realisable value of inventory of sugar.</li> <li>• We tested the mathematical accuracy of the calculations used for determining the cost of inventory of sugar.</li> <li>• We considered various factors including actual selling price prevailing around and subsequent to the year end, monthly quota and other notifications of the Government of India with respect to sugar industry as a whole while assessing the net realizable value.</li> <li>• We have assessed the disclosures included to the consolidated financial statements in this regard.</li> </ul>

### Information Other than the Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## INDEPENDENT AUDITOR'S REPORT (Contd.)

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### Responsibilities of Management for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its associate in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of their respective companies 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associate are responsible for assessing the ability of their respective companies to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group and of its associate are also responsible for overseeing the financial reporting process of their respective companies.

### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, 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.

## INDEPENDENT AUDITOR'S REPORT (Contd.)

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

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2025 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matters

(a) We did not audit the financial statements and other financial information, in respect of two subsidiaries (till October 11, 2024), whose financial statements include total assets of Nil as at October 11, 2024, and total revenues of Rs 0.38 crore and net cash outflows of Rs 0.09 crore for the period from April 01, 2024 to October 11, 2024. Those financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management.

Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of Sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of such other auditors.

(b) We did not audit the financial statements and other financial information, in respect of one subsidiary (with effect from December 31, 2024), whose annual financial statements for the year ended March 31, 2025 include total assets of Rs 5.29 crore as at March 31, 2025, and total revenues of Rs 36.57 crore and net cash inflows of Rs 0.20 crore for the year from April 01, 2024 to March 31, 2025. Those financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management.

These consolidated financial statements include total revenues of Rs. 9.66 crore and net cash inflows of Rs. 0.05 crore in respect of the said subsidiary (acquired with

effect from December 31, 2024) for the period from December 31, 2024 to March 31, 2025 being the balancing figures between the audited figures in respect of the full financial year ended March 31, 2025 which was audited by its auditor and unaudited management certified financial statements for the period from April 01, 2024 to December 30, 2024.

(c) The consolidated financial statements also include the Group's share of net (loss) of Rs. (0.03) crore for the period April 01, 2024 to December 30, 2024, as considered in the consolidated financial statements, in respect of one associate (till December 30, 2024), whose financial statements, other financial information have not been audited and whose unaudited financial statements, other unaudited financial information have been furnished to us by the Management.

Our opinion, in so far as it relates amounts and disclosures included in these consolidated financial statements in respect of the subsidiary and associate (as referred in (b) and (c) above respectively), and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiary and associate, is based solely on such unaudited financial statements and other unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

### Report on Other Legal and Regulatory Requirements

- As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of Sub-section (11) of Section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary companies and associate company, incorporated in India and to the extent applicable, as noted in the 'Other Matter' paragraph we give in the "Annexure 1" a statement on the matters specified in paragraph 3(xxi) of the Order.
- As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries and associate, as noted in the 'other matter' paragraph we report, to the extent applicable, that:
  - We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

## INDEPENDENT AUDITOR'S REPORT (Contd.)

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- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors except for the matters stated in the paragraph (i)(vi) below on reporting under Rule (11g);
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2025 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies and associate company, none of the directors of the Group's companies and its associate, incorporated in India, is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph (b) above on reporting under Section 143(3)(b) and paragraph (i)(vi) below on reporting under Rule 11(g).
- (g) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies and associate company and the operating effectiveness of such controls, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of such subsidiary companies, associate companies, incorporated in India and to the extent applicable, as noted in the 'Other Matter' paragraph, refer to our separate Report in "Annexure 2" to this report;
- (h) In our opinion and based on the consideration of reports of other auditors, the managerial remuneration payable to the Managing Director of the Holding Company for the year ended March 31, 2025, which exceeded the limits specified under Section 197 read with Schedule V of the Companies Act, 2013, has been approved by the shareholders of the Holding Company through a special resolution for the period from August 13, 2024 to August 12, 2025.

Further, the managerial remuneration for the year ended March 31, 2025 has been paid / provided by its subsidiaries and associate incorporated in India, wherever applicable, to their directors in accordance with the provisions of Section 197 read with Schedule V to the Act.

- (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries and associate, as noted in the 'Other matter' paragraph:
  - i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group and its associate in its consolidated financial statements – Refer Note 34(b), 43, 48 and 50 to the consolidated financial statements;
  - ii. The Group and its associate did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2025;
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiaries and its associate, incorporated in India during the year ended March 31, 2025.
  - iv. a) The respective managements of the Holding Company and its subsidiaries and associate which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and associate respectively that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries and associate to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such subsidiaries and associate ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

## INDEPENDENT AUDITOR'S REPORT (Contd.)

- b) The respective managements of the Holding Company and its subsidiaries and associate which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and associate respectively that, to the best of its knowledge and belief, no funds have been received by the respective Holding Company or any of such subsidiaries and associate from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries, associate shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries and associate which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.
- v) The final dividend paid by the Holding Company during the year in respect of the same declared for the previous year is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

The interim dividend declared and paid during the year by the Holding Company and until the date of the respective audit reports of such Holding Company is in accordance with Section 123 of the Act.

As stated in note 13(d) to the consolidated financial statements, the Board of Directors of the Holding Company have proposed final dividend for the year which is subject to the approval of the members of the respective companies at the respective ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

- vi) The Holding Company has migrated to SAP Rise from SAP ECC 6.0 during the year. Based on our examination which included test checks, the accounting software used for maintaining its books of account has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that, as described in note 59 to the consolidated financial statements, audit trail feature is not enabled for certain changes that can be made using certain privileged/ administrative access rights. Further, audit trail feature was not enabled at database level for the SAP ECC 6.0 software for part of the year. Further, there are no instance of audit trail feature being tampered with in respect of accounting software except in respect of privileged/administrative access rights / database level in SAP ECC 6.0. Additionally, the audit trail of prior year has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in the prior year.

Further, based on consideration of reports of auditors of erstwhile subsidiaries (till October 11, 2024), the accounting software has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software.

Furthermore, based on consideration of report of auditors of a subsidiary (associate till December 30, 2024), the said company also used accounting software with an audit trail (edit log) facility that was operational throughout the year for all relevant transactions except that the audit trail feature was not enabled at the database level to capture direct data changes in the software used for maintaining the accounting records.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per **Amit Gupta**

Partner

Membership Number: 501396

UDIN: 25501396BMOWGF6764

**Place of Signature: Gurugram**

**Date: May 24, 2025**

# Mawana Sugars Limited

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## INDEPENDENT AUDITOR'S REPORT (Contd.)

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### ANNEXURE 1 REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING OF "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR AUDIT REPORT OF EVEN DATE

Re: Mawana Sugars Limited ("the Holding Company")

In terms of the information and explanations sought by us and given by the Group and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(xxi) Qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated financial statements are:

S. no.	Name	CIN	Holding Company/ subsidiary/ associate	Date of audit report	Clause number of the CARO report which is qualified or adverse
1	Mawana Foods Private Limited	L74899DL2006PTC144412	Associate (till December 30, 2024)  Subsidiary (with effect from December 31, 2024)	May 22, 2025	(xvii)

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per **Amit Gupta**

Partner

Membership Number: 501396

UDIN: 25501396BMOWGF6764

**Place of Signature: Gurugram**

**Date: May 24, 2025**

## INDEPENDENT AUDITOR'S REPORT (Contd.)

### ANNEXURE "2" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF MAWANA SUGARS LIMITED

#### Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of Mawana Sugars Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2025, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associate company, which are companies incorporated in India, as of that date.

#### Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the companies included in the Group and its associate, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, specified under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to these consolidated financial statements.

#### Meaning of Internal Financial Controls with reference to these Consolidated financial statements

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### Inherent Limitations of Internal Financial Controls with reference to Consolidated financial statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate

## INDEPENDENT AUDITOR'S REPORT (Contd.)

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because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

In our opinion, the Group and its associate company, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2025, based on the internal financial control criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

### Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of the

Holding Company, insofar as it relates to these subsidiary companies and an associate company, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries and associate incorporated in India.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per **Amit Gupta**

Partner

Membership Number: 501396

UDIN: 25501396BMOWGF6764

**Place of Signature: Gurugram**

**Date: May 24, 2025**

**CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2025**

		Notes	Rs. Crore		
			As at March 31, 2025	As at March 31, 2024	
<b>ASSETS</b>					
<b>(1) Non-current assets</b>					
Property, plant and equipment	3	188.68	203.31		
Capital work in progress	3	0.32	0.55		
Goodwill	4	2.70	-		
Other intangible assets	4	5.98	-		
Right of use assets	5	0.96	0.50		
Investment in associate	6	-	2.68		
Financial assets					
- Investments	7.1	#	#		
- Other financial assets	7.2	1.05	0.71		
Income tax assets	21	2.11	1.37		
Deferred tax assets (net)	20	0.84	13.50		
Other non-current assets	8	3.73	0.96		
<b>Total Non-current assets</b>		<b>206.37</b>	<b>223.58</b>		
<b>(2) Current assets</b>					
Inventories	9	821.13	877.92		
Financial assets					
- Trade receivables	10	33.63	39.21		
- Cash and cash equivalents	11	9.23	10.09		
- Other Bank Balances	12	13.91	14.88		
- Other financial assets	7.2	3.53	3.60		
Other current assets	8	8.18	9.30		
<b>Total current assets</b>		<b>889.61</b>	<b>955.00</b>		
<b>Total Assets</b>		<b>1,095.98</b>	<b>1,178.58</b>		
<b>EQUITY AND LIABILITIES</b>					
<b>Equity</b>					
Equity share capital	13.1	39.12	39.12		
Other equity	13.2	452.81	371.12		
<b>Total Equity</b>		<b>491.93</b>	<b>410.24</b>		
<b>LIABILITIES</b>					
<b>(1) Non-current liabilities</b>					
Financial liabilities					
- Borrowings	14.1	-	-		
- Lease liabilities	15.1	0.44	0.07		
Provisions	16.1	10.44	9.79		
<b>Total non-current liabilities</b>		<b>10.88</b>	<b>9.86</b>		
<b>(2) Current liabilities</b>					
Financial liabilities					
- Borrowings	14.2	418.13	567.53		
- Lease liabilities	15.2	0.58	0.52		
- Trade payables					
- Total outstanding dues to micro and small enterprises	17	2.71	6.54		
- Total outstanding dues of creditors other than micro and small enterprises	17	132.31	145.14		
- Other financial liabilities	18	14.77	13.91		
Other current liabilities	19	19.99	19.16		
Provisions	16.2	4.68	4.16		
Current tax liabilities (net)	22	-	1.52		
<b>Total current liabilities</b>		<b>593.17</b>	<b>758.48</b>		
<b>Total liabilities</b>		<b>604.05</b>	<b>768.34</b>		
<b>Total equity and liabilities</b>		<b>1,095.98</b>	<b>1,178.58</b>		

# represent amount less than Rs. 50,000/-

Summary of material accounting policies

2

**The accompanying notes form an integral part of the consolidated financial statements**

As per our report of even date attached

For and on behalf of the Board of Directors  
of Mawana Sugars Limited

For **S.R.Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration No.: 301003E/E300005

per **AMIT GUPTA**

Partner

Membership No. : 501396

**VIKASH**

Chief Financial Officer

Place: Gurugram

**MUKESH CHAUHAN**

Director

(DIN: 09387262)

Place: Gurugram

Place: Gurugram

Date: May 24, 2025

**ASHOK KUMAR SHUKLA**

Company Secretary

(Membership No. ACS-29673)

Place: Gurugram

**RAKESH KUMAR GANGWAR**

Managing Director

(DIN: 09485856)

Place: Gurugram

# Mawana Sugars Limited

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR YEAR ENDED MARCH 31, 2025

		Notes	Year ended March 31, 2025	Year ended March 31, 2024	Rs. Crore
<b>I</b>	<b>Income</b>				
Revenue from operations	23	1,446.49	1,355.09		
Other income	24	9.14	27.62		
<b>Total income (I)</b>		<b>1,455.63</b>	<b>1,382.71</b>		
<b>II</b>	<b>Expenses</b>				
Cost of raw materials consumed	25	1,117.51	1,243.87		
Purchase of stock-in-trade		11.27	12.05		
Changes in inventories of finished goods, stock-in-trade and work-in-progress	26	(3.91)	(189.35)		
Employee benefits expenses	27	88.12	80.73		
Finance costs	28	29.56	29.70		
Depreciation and amortisation expense	29	33.56	35.35		
Other expenses	30	111.41	117.17		
<b>Total expenses (II)</b>		<b>1,387.52</b>	<b>1,329.52</b>		
<b>III</b>	<b>Profit before share of profit/(loss) of an associate, exceptional items and tax (I-II)</b>		<b>68.11</b>	<b>53.19</b>	
<b>IV</b>	<b>Share of (loss) of associate</b>	55	<b>(0.03)</b>	<b>(0.15)</b>	
<b>V</b>	<b>Profit before exceptional items and tax (III+IV)</b>		<b>68.08</b>	<b>53.04</b>	
<b>VI</b>	<b>Exceptional Items - Income (net)</b>	31	<b>61.28</b>	<b>-</b>	
<b>VII</b>	<b>Profit before tax (V+VI)</b>		<b>129.36</b>	<b>53.04</b>	
<b>VIII</b>	<b>Tax expense:</b>				
Current tax	20	7.17	-		
Adjustment in respect of deferred tax of earlier years	20	0.11	(0.07)		
Deferred tax charge	20	12.66	15.46		
<b>Total tax expense</b>		<b>19.94</b>	<b>15.39</b>		
<b>IX</b>	<b>Profit for the year (VII-VIII)</b>		<b>109.42</b>	<b>37.65</b>	
<b>X</b>	<b>Other Comprehensive Income</b>				
Items that will not to be reclassified to statement of profit or loss in subsequent years					
Re-measurement gain/(loss) on defined benefit plans	37	(0.47)	0.01		
Income tax effect credit/(charge)	20	0.12	#		
Share of other comprehensive income of associate (net of tax)	55	-	#		
<b>Other Comprehensive Income, net of tax</b>		<b>(0.35)</b>	<b>0.01</b>		
<b>XI</b>	<b>Total comprehensive income of the year {Comprising profit and other comprehensive income for the year} (IX+X)</b>		<b>109.07</b>	<b>37.66</b>	
<b>XII</b>	<b>Profit for the year</b>				
Attributed to :					
Equity holders of the Parent		109.42	37.65		
Non Controlling Interest		-	-		
<b>XIII</b>	<b>Total Comprehensive Income</b>				
Attributed to :					
Equity holders of the Parent		109.07	37.66		
Non Controlling Interest		-	-		
<b>XIV</b>	<b>Earnings per equity share {Nominal value of share Rs. 10 (March 31, 2024 : Rs.10/-)}</b>	32	27.97	9.63	
Basic and diluted					

# represent amount less than Rs. 50,000/-

Summary of material accounting policies

2

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date attached

For and on behalf of the Board of Directors  
of **Mawana Sugars Limited**

For **S.R.Batlboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration No.: 301003E/E300005

per **AMIT GUPTA**

Partner

Membership No. : 501396

**VIKASH**

Chief Financial Officer

Place: Gurugram

**MUKESH CHAUHAN**

Director

(DIN: 09387262)

Place: Gurugram

Place: Gurugram

Date: May 24, 2025

**ASHOK KUMAR SHUKLA**

Company Secretary

(Membership No. ACS-29673)

Place: Gurugram

**RAKESH KUMAR GANGWAR**

Managing Director

(DIN: 09485856)

Place: Gurugram

**CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2025**

	Rs. Crore	
	Year ended March 31, 2025	Year ended March 31, 2024
<b>A. Cash flow from operating activities :</b>		
Profit before tax	129.36	53.04
Add : Depreciation and amortisation expense	33.56	35.35
Interest expenses	29.56	29.70
Share of loss/(profit) of associate	0.03	0.15
Impairment allowance for doubtful debts, capital advances and other assets (net)	-	0.06
Irrecoverable balances written off	0.01	0.16
Loss on remeasurement of previously held interest in associate (exceptional item)	1.42	-
Less Interest income	1.45	1.34
Recovery of advances written off in earlier years	-	0.13
Profit on disposal of property, plant and equipment (net)	0.01	23.01
Liabilities / provision no longer required written back	0.09	2.61
Profit on sale of non-current investments (exceptional item)	62.70	
<b>Operating profit before working capital changes</b>	<b>129.69</b>	<b>91.37</b>
<u>Changes in working capital:</u>		
<b>Adjustments for (increase) / decrease in operating assets:</b>		
Inventories	(0.65)	(190.18)
Trade receivables	4.46	(6.61)
Financial assets	(0.03)	0.19
Other assets	1.82	(0.34)
Other non-current assets	0.01	-
<b>Adjustments for increase / (decrease) in operating liabilities:</b>		
Trade payables	(16.90)	(50.84)
Provisions	0.31	(0.01)
Other financial liabilities	4.06	(6.62)
Other liabilities	0.42	(0.04)
<b>Cash (used in)/from operations</b>	<b>123.19</b>	<b>(163.08)</b>
Direct taxes paid	(9.43)	(1.27)
<b>Net cash flow (used in)/from operating activities (A)</b>	<b>113.76</b>	<b>(164.35)</b>
<b>B. Cash flow from investing activities :</b>		
Purchase of property, plant and equipment	(21.27)	(30.18)
Proceeds from sale of property, plant and equipment	0.04	28.21
Purchase of intangible assets	(5.98)	
Fixed deposits placed	(14.00)	5.26
Fixed deposits matured	15.00	-
Payment made towards acquisition of subsidiary	(2.42)	-
Proceeds from sale of investment in subsidiaries (net of commission)	115.82	-
Interest received	1.60	1.34
<b>Net cash from/(used in) investing activities (B)</b>	<b>88.79</b>	<b>4.63</b>
<b>C. Cash flow from financing activities :</b>		
Repayment of long term borrowings - secured	(4.83)	(34.83)
Net (repayment)/proceeds in working capital borrowings	(144.64)	219.06
Dividend Payment	(27.38)	(11.73)
Lease payments	(0.56)	(0.45)
Interest on lease payments	(0.04)	(0.09)
Interest paid	(29.02)	(28.56)
<b>Net cash flow from/(used in) financing activities (C)</b>	<b>(206.47)</b>	<b>143.40</b>
<b>D. Net (decrease) in Cash and cash equivalents (A+B+C)</b>	<b>(3.92)</b>	<b>(16.32)</b>
<b>E. Cash and cash equivalents at the beginning of the year</b>	<b>10.09</b>	<b>26.41</b>
<b>F. Cash and cash equivalents received on acquisition of subsidiary (Refer note 54)</b>	<b>3.08</b>	<b>-</b>
<b>G. Cash and cash equivalents transferred on sale of subsidiaries (Refer note 53)</b>	<b>0.02</b>	<b>-</b>
<b>H. Cash and cash equivalents at the end of the year (D+E+F-G)</b>	<b>9.23</b>	<b>10.09</b>

# Mawana Sugars Limited

## CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

	Rs. Crore	
	As at March 31, 2025	As at March 31, 2024
<b>Cash and Cash Equivalents</b>		
Balances with banks:		
- Current accounts	6.29	7.03
Cash on hand	0.03	0.06
Fixed deposits with banks (with original maturity of three months or less)	2.91	3.00
<b>Total cash and cash equivalents</b>	<b>9.23</b>	<b>10.09</b>

### Notes :

1. The Cash Flow Statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) "Statement of Cash Flow".
2. Negative figures have been shown in brackets.

Summary of material accounting policies 2

### The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date attached

For **S.R.Batlboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration No.: 301003E/E300005

For and on behalf of the Board of Directors  
of **Mawana Sugars Limited**

per **AMIT GUPTA**

Partner

Membership No. : 501396

**VIKASH**

Chief Financial Officer

**Place: Gurugram**

**MUKESH CHAUHAN**

Director

(DIN: 09387262)

**Place: Gurugram**

**Place: Gurugram**

**Date: May 24, 2025**

**ASHOK KUMAR SHUKLA**

Company Secretary

(Membership No. ACS-29673)

**Place: Gurugram**

**RAKESH KUMAR GANGWAR**

Managing Director

(DIN: 09485856)

**Place: Gurugram**

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2025**
**Rs. Crore**

	Equity Share Capital	Other Equity						Attributable to the equity holders of the Parent	Non Controlling Interest	Total Equity			
		Reserves and surplus											
		Securities premium reserve*	Capital redemption reserve*	Capital reserve*	General reserve*	Retained earnings	Storage fund for molasses account*						
<b>As at April 01, 2023</b>	39.12	149.50	8.77	103.02	0.45	82.46	0.99	345.19	-	384.31			
Add: Profit for the year	-	-	-	-	-	37.65	-	37.65	-	37.65			
Less : Dividend paid during the year	-	-	-	-	-	(11.73)	-	(11.73)	-	(11.73)			
Add: Transfer to/(from) storage fund for molasses	-	-	-	-	-	(0.28)	0.28	-	-	-			
Add: Remeasurement gain/(loss) of defined benefit obligation (net of tax)	-	-	-	-	-	0.01	-	0.01	-	0.01			
<b>As at March 31, 2024</b>	39.12	149.50	8.77	103.02	0.45	108.11	1.27	371.12	-	410.24			
Add: Profit for the year	-	-	-	-	-	109.42	-	109.42	-	109.42			
Less : Dividend paid during the year	-	-	-	-	-	(27.38)	-	(27.38)	-	(27.38)			
Add: Transfer to/(from) storage fund for molasses	-	-	-	-	-	(0.28)	0.28	-	-	-			
Add: Remeasurement gain/(loss) of defined benefit obligation (net of tax)	-	-	-	-	-	(0.35)	-	(0.35)	-	(0.35)			
<b>As at March 31, 2025</b>	39.12	149.50	8.77	103.02	0.45	189.52	1.55	452.81	-	491.93			

\*Refer note 13.2

Summary of material accounting policies

2

**The accompanying notes form an integral part of the consolidated financial statements**

As per our report of even date attached  
**For S.R.Batliboi & Co. LLP**  
Chartered Accountants  
ICAI Firm Registration No.: 301003E/E300005

For and on behalf of the Board of Directors  
**of Mawana Sugars Limited**

per **AMIT GUPTA**  
Partner  
Membership No. : 501396

**VIKASH**  
Chief Financial Officer  
**Place: Gurugram**

**MUKESH CHAUHAN**  
Director  
(DIN: 09387262)  
**Place: Gurugram**

**Place: Gurugram**  
**Date: May 24, 2025**

**ASHOK KUMAR SHUKLA**  
Company Secretary  
(Membership No. ACS-29673)  
**Place: Gurugram**

**RAKESH KUMAR GANGWAR**  
Managing Director  
(DIN: 09485856)  
**Place: Gurugram**

### 1. Group Overview

The consolidated financial statements comprises financial statements of Mawana Sugars Limited ("the Parent Company") and its subsidiary (collectively, the Group) for the year ended March 31, 2025

Parent Company is a public limited Company domiciled and incorporated in India under the provisions of the Companies Act, 2013. Its shares are listed on two recognized stock exchanges in India. The registered office of the Parent Company is situated at 5<sup>th</sup> floor, Kirti Mahal, 19 Rajendra Place, New Delhi 110008. As at March 31, 2025, Mr. Krishna Shriram (including shares held as trustee of Enterprise Trust) owns 63.49% of equity share capital of the Parent Company.

Major products along with principal places of business of the Group are as under:

Products	Principal Places
Sugar (Sugar and Power)	Mawana Sugar Works, Uttar Pradesh Nanglamal Sugar Complex, Uttar Pradesh
Industrial Alcohol (Ethanol)	Nanglamal Sugar Complex, Uttar Pradesh

The consolidated financial statements were approved by the Board of Directors and authorised for issue on May 24, 2025.

### 2. Material accounting policies

The accounting policies, as set out below, have been consistently applied, by the Group, to all the years presented in the financial statements.

#### 2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the financial statements.

The consolidated financial statements of the Group have been prepared on an accrual basis and under the historical cost basis, except for the following assets and liabilities which have been measured at fair value-

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments),
- Defined benefit plans – plan assets measured at fair value.

The preparation of consolidated financial statements requires the use of certain significant accounting estimates and judgements. It also requires the management to exercise judgement in applying the Group's accounting policies. The areas where estimates are significant to the consolidated financial statements, or areas involving a higher degree of judgement or complexity, are disclosed in note 2.4.

All the amounts included in the financial statements are reported in Crore of Indian Rupees ('Rupees' or 'Rs.'), except number of shares, face value of share, earning per share or wherever otherwise indicated.

#### New and amended standards and interpretations

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standard) Amendment Rules 2024, to amend the following Ind AS which are effective from April 01, 2024.

##### (i) Insurance Contracts - Ind AS 117

The Ministry of Corporate Affairs (MCA) notified the Ind AS 117, Insurance Contracts, vide notification dated 12 August 2024, under the Companies (Indian Accounting Standards) Amendment Rules, 2024, which is effective from annual reporting periods beginning on or after April 01, 2024.

Ind AS 117 Insurance Contracts is a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Ind AS 117 replaces Ind AS 104 Insurance Contracts. Ind AS 117 applies to all types of insurance contracts, regardless of the type of entities that issue them as well as to certain guarantees and financial instruments with discretionary participation features; a few scope exceptions will apply. Ind AS 117 is based on a general model, supplemented by:

- A specific adaptation for contracts with direct participation features (the variable fee approach)
- A simplified approach (the premium allocation approach) mainly for short-duration contracts

The application of Ind AS 117 does not have material impact on the Group's separate financial statements as the Group has not entered any contracts in insurance contracts covered under Ind AS 117.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

### (ii) Lease Liability in a Sale and Leaseback - Amendments to Ind AS 116

The MCA notified the Companies (Indian Accounting Standards) Second Amendment Rules, 2024, which amend Ind AS 116, Leases, with respect to Lease Liability in a Sale and Leaseback.

The amendment specifies the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.

The amendment is effective for annual reporting periods beginning on or after 1 April 2024 and must be applied retrospectively to sale and leaseback transactions entered into after the date of initial application of Ind AS 116.

The amendments do not have a material impact on the Company's financial statements.

Apart from these, consequential amendments and editorials have been made to other Ind AS like Ind AS 1, Ind AS 7 and Ind AS 107.

### 2.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Parent Company and its subsidiaries and associate as at March 31, 2025. Control is achieved when the Group has power over the investee, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the investee.

Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Parent Company, i.e., year ended on 31 March.

Consolidation procedure:

- (a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the Parent Company with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- (b) Offset (eliminate) the carrying amount of the Parent's investment in each subsidiary and the Parent's portion of equity of each subsidiary. Business combinations policy explains about the accounting of goodwill.
- (c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the Parent Company of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. However, the minority interest has been restricted to zero on the transition date i.e. April 01, 2016 using the exemption provided by the Ind AS 101 and the accumulated losses attributable to the minorities in excess of their equity on the transition date, in the absence of the contractual obligation on the minorities, the same has been accounted for by the Parent Company.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

- (d) An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

Investment in Associates has been accounted for using the equity method. The excess of cost of investment over the proportionate share in equity of the Associate as at the date of acquisition of stake has been identified as Goodwill and included in the carrying value of the Investment in the Associate. Amortisation of that goodwill is not permitted. Similarly, the excess of proportionate share in equity of the associate over the cost of investment as at the date of acquisition of stake has been recognised directly in equity as Capital Reserve in the period in which the investment is acquired. The carrying amount of the investment is adjusted thereafter for the post acquisition change in the share of net assets of the Associate. Goodwill relating to the associate is included in the carrying amount of the investment and is not tested for impairment individually. The statement of profit and loss includes the Group's share of the results of operations of the associate. Any change in OCI of the investee is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associate.

If an entity's share of losses of an associate equal or exceeds its interest in the associate (which includes any long term interest that, in substance, form part of the Group's net investment in the associate), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate. If the associate subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Group's share of profit or loss of an associate is shown on the face of the statement of profit and loss.

The financial statements of the associate are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies of associate in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value, and then recognises the loss as 'Share of profit of an associate' in the statement of profit or loss.

Upon loss of significant influence over the associate, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

### 2.3 Summary of Material Accounting Policies

#### (i) Basis of classification of Current and non-current

Based on the nature of products / activities of the Group and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

#### (ii) Foreign currencies

##### (a) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('functional currency').

The financial statements are presented in Indian Rupees which is the functional and presentation currency of the Group.

##### (b) Initial recognition

Transactions in foreign currencies are initially recorded in the functional currency at the spot exchange rates prevailing at the date of the transaction when it first qualifies for recognition.

##### (c) Translation on reporting date

Foreign currency monetary items are translated using the functional currency spot rates of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost denominated in a foreign currency are translated using the exchange rate at the date of the initial transaction.

##### (d) Exchange differences

Exchange differences arising on translation or settlement of monetary items are recognised in the statement of profit and loss.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

### (iii) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Group's management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operation.

External valuers are involved for valuation of significant assets, and significant liabilities, if any.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Group's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management, in conjunction with the Group's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

### (iv) Revenue from contracts with customer

Revenue from sale of goods is recognised at the point in time when control of the goods is transferred to the customer, generally on delivery of the goods. The normal credit term is around 30 days upon delivery. The Group has concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

Revenue from sale of power is recognised on a basis as per the contract terms based on actual power sold for the year. The normal credit term is 7 to 60 days upon delivery.

In determining the transaction price for sale of goods, the Group considers the effect of variable consideration, the existence of significant financing components and consideration payable to the customer (if any).

If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods and services to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

### **Contract balances**

#### **Contract assets**

A contract asset is initially recognized for revenue earned from sale of goods because the receipt of consideration is conditional on successful completion when control of the goods is transferred to the customer, generally on delivery of the goods. Upon delivery of goods and acceptance by the customer, the amount recognized as contract assets is reclassified to trade receivables.

Contract assets are subject to impairment assessment. Refer to accounting policies on impairment of financial assets in section (xx)(e) Financial instruments – initial recognition and subsequent measurement.

#### **Trade receivables**

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (xx)(a) Financial instruments – initial recognition and subsequent measurement.

#### **Contract liabilities**

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

#### **Cost to obtain a contract**

The Group pays sales commission to agents for each contract that they obtain for sale of goods. The Group has elected to apply the optional practical expedient for costs to obtain a contract which allows the Group to immediately expense sales commission (included under other expenses) because the amortisation period of the asset that the Group otherwise would have used is one year or less.

#### **(v) Government grant**

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

The Parent Company receives interest subvention from the government on the loans which are availed at market rate of interest from the Banks. The interest subvention is netted off from the interest expenses.

For the outstanding loans received from the Government at the interest rate below the current market rates, is recognised at carrying value of previous GAAP as on date of transition on account of mandatory exemption available for the first time adoption under IndAS 01.

#### **(vi) Taxes**

##### **Current Income tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit and loss is recognised outside profit and loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity. Management periodically

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate. The group shall reflect the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

### Deferred Tax

Deferred tax is recognised using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses, if any. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity.

The Group offsets deferred tax assets and deferred tax liabilities if an only if a legally enforceable right to set off current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities related to income taxes levied by the same taxation authorities.

Goods and Service tax (GST)/Sales/Value added taxes on acquisition of assets or on incurring expenses:

When GST amount incurred on purchase of assets or services is not recoverable from the taxation authority, the GST paid is recognised as part of cost of acquisition of the asset or part of the expense item, as applicable. Otherwise, expenses and assets are recognised net of the amount of GST paid. The net amount of GST recoverable from or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

### (vii) Property, plant and equipment ('PPE')

On transition to Ind AS i.e. April 01, 2016, the Group had elected to continue with the carrying value of all its property, plant and equipment (PPE) recognized as at the transition date measured as per the Indian GAAP and use that carrying value as the deemed cost of the PPE.

An item of PPE is recognised as an asset, if and only if, it is probable that the future economic benefits associated with the item will flow to the Group and its cost can be measured reliably.

PPE are initially recognised at cost, net of accumulated depreciation and accumulated impairment loss, if any. Capital work in progress are stated at cost, net of impairment loss, if any. Cost comprises the purchase price, including import duties and non- refundable purchase taxes, and any directly attributable cost of bringing the asset to its working condition for its intended use Such cost includes borrowing costs for long-term construction projects if the recognition criteria are met.

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance., Freehold land is carried at historical cost. When significant parts are required to be replaced at regular intervals, the Group recognises such parts as separate component of assets and depreciates separately based on their specific useful life. When an item of PPE is replaced, then its carrying amount is de-recognised and cost of the new item of PPE is recognised.

Items of stores and spares that meet the definition of PPE are capitalized at cost. Otherwise, such items are classified as inventories. They are depreciated over the remaining useful life of related plant and equipment or useful life of insurance/capital/ critical spares, whichever is lower.

The expenditure those are incurred after the item of PPE has been put to use, such as repairs and maintenance, are charged to the statement of profit and loss in the period in which such costs are incurred. However, in

situations where such expenditure can be measured reliably, and is probable that future economic benefits associated with it will flow to the Group, it is included in the asset's carrying value or as a separate asset, as appropriate.

**Depreciation** on property, plant and equipment is provided on written down value basis using the rates as specified in Part C of Schedule II of the Companies Act, 2013, as set out below:

Assets	Useful life (Years)
Buildings (including Roads)	5-60
Plant & Equipment	10-40
Office Equipment (including Data Processing Equipment)	3-6
Furniture and Fixtures	10
Motor Vehicles	8

The management has estimated the useful life of following assets is different from those indicated in Schedule II :

Assets	Useful life (Years)
Building-Green house type shed of Bio-compost yard	25
Building-Polythene membrane	5
Components of certain plant and equipment	3 to 15

The useful lives, residual values and depreciation method of PPE are reviewed, and adjusted appropriately, at each reporting date. The effect of any change in the estimated useful lives, residual values and / or depreciation method are accounted for prospectively, and accordingly the depreciation is calculated over the PPE's remaining revised useful life. The cost and the accumulated depreciation for PPE sold, scrapped, retired or otherwise disposed off are de-recognised from the balance sheet and the resulting gains / (losses) are included in the statement of profit and loss within other expenses / other income.

The cost of capital work-in-progress is presented separately in the balance sheet.

### (viii) Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Intangible assets with finite lives are amortised on a written down value basis over the estimated useful economic life. The estimated useful life and amortisation method are reviewed at the end of each reporting period.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets of infinite lives are amortised on the straight-line method as per the useful life assessed based on expected future benefit, taking into account the nature of the asset, the estimated usage of the asset:

	As per management estimate
Software	3 years

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

	As per management estimate
Brand	indefinite

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss. when the asset is derecognised.

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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)**


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**(ix) Impairment of non-financial assets**

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs to sell and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if available, and if no such transactions can be identified, an appropriate valuation model is used.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. Impairment losses, if any, are recognized in Statement of Profit and Loss as a component of depreciation and amortisation expense.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited to the extent the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation or amortisation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognized in the statement of profit and loss when the asset is carried at the revalued amount, in which case the reverse is treated as a revaluation increase.

**(x) Leases**

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

**Group as a lessee**

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

**i) Right-of-use assets**

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date. Right-of-use assets are depreciated on a straight-line basis from the commencement date over the shorter of the lease term and the estimated useful lives of the assets.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (ix) Impairment of non-financial assets.

**ii) Lease liabilities**

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments)

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After

the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

The cost and the accumulated depreciation for Right of use assts where the lease gets matured or disposed off before maturity are de-recognised from the balance sheet and the resulting gains / (losses) are included in the statement of profit and loss within other expenses / other income.

Lease liabilities and Right-of-use assets have been presented as a separate line in the balance sheet. Lease payments have been classified as cash used in financing activities.

### **iii) Short-term leases except leases taken from related parties and leases of low-value assets**

The Group has elected not to recognise right-of-use assets and lease liabilities for short term leases except leases taken from related parties of all assets that have a lease term of 12 months or less and leases of low-value assets. . In case of lease contracts with related parties, there exist economic incentive for the Group to continue using the leased premises for a period longer than the 11 months and considering the contract is with the related parties, it does not foresee non-renewal of the lease term for future periods, thus basis the substance and economics of the arrangements, management believes that under Ind AS 116, the lease terms in the arrangements with related parties have been determined considering the period for which management has an economic incentive to use the leased asset (i.e. reasonable certain to use the asset for the said period of economic incentive). Such assessment of incremental period is based on management assessment of various factors including the remaining useful life of the asset as on the date of transition. The management has assessed period of arrangements with related parties as 2 years. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease.

### **Group as a lessor**

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset is classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset, i.e., asset given on lease, and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

### **(xi) Inventories**

Inventories are valued at the lower of cost and net realisable value.

The Cost is determined as follows:

- (a) Stores and spares, Packing Materials, Raw Materials and Stock in trade except land: Moving weighted average method.
- (b) Stock in trade being land: Valued at lower of cost or Net realizable value. Cost includes Cost of land, the related cost of acquisition, enhancement compensation awarded by courts at various levels, construction costs, borrowing costs incurred to get the properties ready for their intended use.
- (c) Work-in-progress: Material cost on weighted average method and appropriate manufacturing overheads is included on absorption costing basis.
- (d) Finished goods (manufactured/produced): Material cost on weighted average method and appropriate manufacturing overheads is included on absorption costing.
- (e) (i) By products (Bagasse, "C" Heavy Molasses and Pressmud) included under raw materials, finished goods and work-in-progress: Net realisable Value.  
(ii) By products ("B" Heavy molasses) included under finished goods and work in progress, whose cost is not identifiable, are valued by allocating the costs between the products on the relative sales value of each product at the completion of the production, considering it as a rational and consistent basis.

Materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost includes the necessary cost incurred in bringing inventory to its present location and condition necessary for use.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

### **(xii) Provisions**

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

### (xiii) Non-Current Asset held for sale:

The Group classifies non-current assets and disposal groups as held for sale/ distribution to owners if their carrying amounts will be recovered principally through a sale/ distribution rather than through continuing use. Actions required to complete the sale/ distribution should indicate that it is unlikely that significant changes to the sale/ distribution will be made or that the decision to sell/ distribute will be withdrawn. Management must be committed to the sale/ distribution expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale/ distribution classification is regarded met only when the assets or disposal group is available for immediate sale/ distribution in its present condition, subject only to terms that are usual and customary for sales/ distribution of such assets (or disposal groups), its sale/ distribution is highly probable; and it will genuinely be sold, not abandoned. The Group treats sale/ distribution of the asset or disposal group to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset (or disposal group),
- An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets held for sale/for distribution to owners and disposal groups are measured at the lower of their carrying amount and the fair value less costs to sell/distribute. Assets and liabilities classified as held for sale/ distribution are presented separately in the balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale/ distribution to owners are not depreciated or amortised.

### (xiv) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

Borrowing costs include interest and amortization of ancillary cost incurred in connection with the arrangement of borrowing.

### (xv) Contingent assets and liabilities

A contingent liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise.

A contingent asset is a possible asset that arises from past events the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise.

### (xvi) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders of the Group by the weighted average number of the equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, net profit or loss for the year attributable to equity shareholders of the Group and the weighted average number of shares outstanding during the year are adjusted for the effect of all dilutive potential equity shares.

### (xvii) Employee benefits

The Group's employee benefits mainly include wages, salaries, bonuses, contribution to plans, defined benefit plans, compensated absences and share-based payments. The employee benefits are recognised in the year in which the associated services are rendered by the Group employees.

### (a) Defined contribution plans

The Group's contribution to provident fund, pension scheme, employee state insurance corporation, etc. are considered as defined contribution plans and are recognised in profit or loss as and when the services are rendered by employees. The Group has no further obligations under these plans beyond its periodic contributions.

### (b) Defined benefit plans

For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. The said plan requires a lump-sum payment to eligible employees (meeting the required vesting service condition) at retirement or termination of employment, based on a pre-defined formula.

The obligation towards the said benefits is recognised in the balance sheet, at the present value of the defined benefit obligations less the fair value of plan assets (being the funded portion). The present value of the said obligation is determined by discounting the estimated future cash outflows, using interest rates of government bonds.

The interest income / (expense) are calculated by applying the above mentioned discount rate to the plan assets and defined benefit obligations liability. The net interest income / (expense) on the net defined benefit liability is recognised in the statement of profit and loss. However, the related re-measurements of the net defined benefit liability are recognised directly in the other comprehensive income in the period in which they arise. The said re-measurements comprise of actuarial gains and losses (arising from experience adjustments and changes in actuarial assumptions), the return on plan assets (excluding interest). Re-measurements are not re-classified to the statement of profit and loss in any of the subsequent periods, however, included in retained earnings in the statement of change in equity and in the balance sheet.

### (c) Compensated Absences Benefits

The employees of the Group are entitled to compensated absences. Compensated absences benefit comprises of encashment and availment of leave balances that were earned by the employees over the period of past employment. The Group provides for the liability towards the said benefit on the basis of actuarial valuation carried out annually as at the reporting date, using the projected-unit-credit method. The related re-measurements are recognised in the statement of profit and loss in the period in which they arise.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Group treats accumulated leave expected to be carried forward beyond twelve months as long term employee benefit for measurement purpose. Such long term compensated absences are provided for based on actuarial valuation using the projected unit credit method at the year end. The Group presents the leave as a current liability in the balance sheet; to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Group has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

### (xviii) Research and Development

Revenue Expenditure on research and development is expensed out under respective heads of account in the year in which it is incurred.

Development expenditure is recognised as an asset at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and asset is available for use. It is amortised over the period of expected future benefits.

### (xix) Segment Reporting

The Group identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing performance.

The Group's operating segments are established on the basis of those components of the Group that are evaluated regularly by the Board of Directors ('the Chief Operating Decision Maker' as defined in IND AS 108 – Operating Segments). These have been identified taking into account nature of products and services, the differing risks and returns and the internal business reporting systems. The analysis of geographical segments is based on the locations of customers.

**(xx) Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**(a) Financial assets**

**Initial recognition and measurement**

The Group recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All the financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

**Subsequent measurement**

Non-derivative financial instruments

**i) Financial assets carried at amortized cost**

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding.

**ii) Financial assets at fair value through profit or loss**

A financial asset which is not classified in any of the above categories are subsequently fair value through profit or loss.

**(b) Financial liabilities**

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit or loss. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate the fair value due to the short maturity of these instruments.

**i) Financial guarantee contracts**

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortization.

**ii) Borrowings**

On initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

**(c) Derecognition of financial instruments**

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under IND AS 109. A financial liability (or a part of the financial liability) is derecognized when the obligation specified in the contract is discharged or cancelled or expired.

**(d) Fair value of financial instruments**

In determining the fair value of its financial instruments, the Group uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

For all other financial instruments, the carrying amounts approximate fair value due to the short maturity of those instruments.

**(e) Impairment of financial assets**

The Group recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized as an impairment gain or loss in statement of profit or loss.

**(f) Reclassification**

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group's senior management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

**(g) Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

**(xxi) Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits and liquid fund investments with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

**(xxii) Dividend**

The Group recognises a liability to make distributions to equity holders of the Group when the distribution is authorised and the distribution is no longer at the discretion of the Group. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

**(xxiii) Business Combinations**

Business combinations are accounted for using the acquisition method as prescribed under Ind AS 103 – Business Combinations. The cost of a business combination is measured as the aggregate of the consideration transferred, measured at acquisition-date fair values, and the amount of any non-controlling interest in the acquiree. The Group measures non-controlling interest either at fair value or at the proportionate share of the acquiree's identifiable net assets on a transaction-by-transaction basis.

The identifiable assets acquired, and liabilities assumed in a business combination are recognized at their acquisition-date fair values. Any goodwill arising from the business combination is initially measured as the excess of the aggregate of the consideration transferred, amount of non-controlling interest, and the fair value of any previously held equity interest in the acquiree over the net identifiable assets acquired. If the aggregate consideration is lower than the fair value of net assets acquired, the difference is recognized in Other Comprehensive Income and accumulated in Capital Reserve, subject to reassessment.

Acquisition-related costs are expensed in the period in which the costs are incurred and the services are received.

Business combinations involving entities or businesses under common control are accounted for using the pooling of interests method, whereby the assets and liabilities of the combining entities are reflected at their carrying amounts, and no goodwill is recognized. The difference, if any, between the consideration paid and the net assets acquired is recorded in capital reserve.

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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)**


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**(xxiv) Reciprocal tariff**

The management considering the relevant events after the reporting date has evaluated the likely impact of prevailing uncertainty relating to imposition or enhancement of reciprocal tariffs and believes that there are no material impact on the financial statement of the Group for the year ended March 31, 2025, however, the management will continue to monitor the situation from the perspective of potential impact of the operations of the Group.

**2.4. Significant accounting judgements, estimates and assumptions**

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

**a) Contingencies**

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Group, including legal, contractor, land access and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgments and the use of estimates regarding the outcome of future events.

**b) Impairment of non-financial assets**

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation method is used. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill and other intangibles with indefinite useful lives recognised by the Group.

**c) Taxes**

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

**d) Defined benefit plans (gratuity benefits)**

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

Further details about gratuity obligations are given in note 37.

**e) Fair value measurement of financial instruments**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.

Changes in assumptions about these factors could affect the reported fair value of financial instruments.

**f) Useful life of Property, plant and equipment**

The management estimates the useful life and residual value of property, plant and equipment based on technical evaluation. These assumptions are reviewed at each reporting date.

# Mawana Sugars Limited

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

### 3. Property, plant and equipment

Rs. Crore

Particulars	Freehold Land	Buildings	Plant and equipment	Office equipment	Furniture and Fixtures	Vehicles	Total	Capital work in progress
<b>Gross Block</b>								
<b>(At cost)*</b>								
As at April 01, 2023	13.75	76.60	334.03	3.64	0.47	0.28	428.77	15.82
Additions	-	2.63	38.84	0.78	0.14	-	42.39	26.46
Disposals	-	(0.98)	(0.74)	(0.14)	(0.08)	-	(1.94)	(41.73)
As at March 31, 2024	13.75	78.25	372.13	4.28	0.53	0.28	469.22	0.55
Additions	-	0.44	17.24	0.77	0.15	-	18.60	18.26
Acquisition of business (Refer note 54)	-	-	0.01	0.04	-	-	0.05	-
Disposals	(0.06)	-	(0.68)	-	-	-	(0.74)	(18.49)
<b>As at March 31, 2025</b>	<b>13.69</b>	<b>78.69</b>	<b>388.70</b>	<b>5.09</b>	<b>0.68</b>	<b>0.28</b>	<b>487.13</b>	<b>0.32</b>
<b>Depreciation</b>								
As at April 01, 2023	-	38.37	190.95	2.67	0.30	0.27	232.56	-
Depreciation charge for the year	-	5.73	28.15	0.90	0.08	0.01	34.87	-
Disposals	-	(0.63)	(0.69)	(0.13)	(0.07)	-	(1.52)	-
As at March 31, 2024	-	43.47	218.41	3.44	0.31	0.28	265.91	-
Depreciation charge for the year	-	4.93	27.20	0.82	0.11	#	33.06	-
Disposals	-	-	(0.51)	(0.01)	-	-	(0.52)	-
<b>As at March 31, 2025</b>	<b>-</b>	<b>48.40</b>	<b>245.10</b>	<b>4.25</b>	<b>0.42</b>	<b>0.28</b>	<b>298.45</b>	<b>-</b>
<b>Net book value</b>								
<b>As at March 31, 2025</b>	<b>13.69</b>	<b>30.29</b>	<b>143.60</b>	<b>0.84</b>	<b>0.26</b>	#	<b>188.68</b>	<b>0.32</b>
As at March 31, 2024	13.75	34.78	153.72	0.84	0.22	#	203.31	0.55

\*As at the date of transition to Ind AS (i.e. April 01, 2016), the Group elected to continue with the carrying value of all property, plant and equipment measured as per the previous GAAP and used that carrying value as the deemed cost.

# represent amount less than Rs 50,000/-

#### Notes :

- Refer note 14 for information on property, plant and equipment pledged as security for borrowings.
- Title deeds of all immovable properties (other than properties where the Group is lessee and lease agreement are duly executed i.e. signed, sealed and delivered in favour of the lessee) are held in the name of the Group.
- Capital work in progress ageing schedule:

### As at March 31, 2025

Rs. Crore

Particulars	Amount in CWIP for the period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	0.32	-	-	-	0.32
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>0.32</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.32</b>

### As at March 31, 2024

Rs. Crore

Particulars	Amount in CWIP for the period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	0.55	-	-	-	0.55
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>0.55</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.55</b>

There is no project whose completion is overdue or has exceeded its cost compared to its original plan during the financial year 2024-25 and 2023-24.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)**

**4. Goodwill and other intangible assets**

Rs. Crore

Particulars	Goodwill (Refer note 54)	Intangible assets		
		Brand *	Software	Total
<b>Gross Block</b>				
<b>(At cost)</b>				
As at April 01, 2023	-	-	0.03	<b>0.03</b>
Additions	-	-	-	-
As at March 31, 2024	-	-	0.03	<b>0.03</b>
Additions	-	5.98	-	<b>5.98</b>
Acquisition of business (Refer note 54)	2.70	-	-	-
<b>As at March 31, 2025</b>	<b>2.70</b>	<b>5.98</b>	<b>0.03</b>	<b>6.01</b>
<b>Amortisation</b>				
As at April 01, 2023	-	-	0.02	0.02
Amortisation for the year	-	-	0.01	0.01
As at March 31, 2024	-	-	<b>0.03</b>	<b>0.03</b>
Amortisation for the year	-	-	-	-
<b>As at March 31, 2025</b>	<b>-</b>	<b>-</b>	<b>0.03</b>	<b>0.03</b>
<b>Net book value</b>				
<b>As at March 31, 2025</b>	<b>2.70</b>	<b>5.98</b>	-	<b>5.98</b>
As at March 31, 2024	-	-	-	-

There are no restrictions over the title of the Group's intangible assets, nor are any intangible assets pledged as security for liabilities.

\* During the current year, the Parent Company has acquired brand 'MAWANA', which includes all associated trademarks, related marks, and copyrights for a total consideration of Rs. 5.75 crore. The acquisition was made from a related party, based on an independent fair valuation carried out by a qualified external valuer. The acquisition has been completed and the 'Assignment Deed' has been signed on December 31, 2024. The Parent Company has paid stamp duty of Rs. 0.23 crore on the above said transaction.

The acquired brand is expected to contribute significantly to the Parent Company's operations, given its strong market recognition and association with quality in the relevant product segments. The management has evaluated the economic benefits and strategic relevance of the brand and has assessed that it has an indefinite useful life, owing to the following factors:

- The brand is well-established and continues to enjoy a strong market presence.
- There is no foreseeable limit to the period over which the brand is expected to generate net cash inflows.
- The Parent Company has the intention and ability to continue using the brand indefinitely.

In accordance with Ind AS 38 – Intangible Assets, the brand has not been amortized. Instead, it will be tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired. The asset will continue to be reviewed regularly to confirm that the assessment of an indefinite useful life remains appropriate.

Impairment testing for intangible assets with indefinite useful lives has been carried out considering their recoverable amounts which, inter-alia, includes estimation of their value-in-use based on management projections.

Based on the above assessment, no impairment has been recognised during the year. Further, the Parent Company has also performed sensitivity analysis around the base assumptions considered at the time of acquisition and has concluded that there are no reasonably possible changes to key assumptions that would cause the carrying amount of the aforesaid assets to exceed their recoverable values.

The transaction was conducted at arm's length and has been appropriately disclosed in the related party transactions note (Refer note 38).

**5. Right-of-use assets**

The Group has lease contracts for head office, corporate office and godowns used in its operations. Generally, the Group is restricted from assigning and subleasing the leased assets. The Group also has certain leases of assets with lease terms of 12 months or less. The Group applies the short-term lease recognition exemptions for these leases other than from related parties.

# Mawana Sugars Limited

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

### 5. Right-of-use assets (Contd.)

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year:

Rs. Crore

Particulars	Right of use Assets
<b>Gross carrying amount</b>	
As at April 01, 2023	1.27
Additions	-
<b>As at March 31, 2024</b>	<b>1.27</b>
Additions	0.78
Disposals	(0.78)
Acquisition of business (Refer note 54)	0.18
<b>As at March 31, 2025</b>	<b>1.45</b>
<b>Depreciation</b>	
As at April 01, 2023	0.30
Depreciation charge for the year	0.47
<b>As at March 31, 2024</b>	<b>0.77</b>
Depreciation charge for the year	0.50
Disposals	(0.78)
<b>As at March 31, 2025</b>	<b>0.49</b>
<b>Net carrying amount as at March 31, 2025</b>	<b>0.96</b>
Net carrying amount as at March 31, 2024	0.50

### 6 Investment in associates

Rs. Crore

Particulars	As at March 31, 2025	As at March 31, 2024
Nil (March 31, 2024: 67,59,801) equity shares of Rs. 10 each fully paid up of Mawana Foods Private Limited (included goodwill of Rs.13.30 crore) (Refer note 55)	-	15.00
Opening balance of share of loss of associate	-	(1.28)
Add/(Less) : Share of (loss) for the year	-	(0.15)
Add : Share of other comprehensive income for the year	-	#
(Less) : Impairment allowance on investment in associate (Refer note 54)	-	(10.89)
<b>Total</b>	<b>-</b>	<b>2.68</b>

# represent amount less than Rs. 50,000/-

### 7 Financial assets

Rs. Crore

Particulars	As at March 31, 2025	As at March 31, 2024
<b>7.1 Investments</b>		
<b>Other Investments</b>		
<b>Unquoted equity instruments at cost</b>		
2 (March 31, 2024 : 2) equity shares of Rs. 10 each (Rs. 5 per share paid up) of Mawana Co-operative Development Union Limited (# Rs. 10) <sup>1</sup>	#	#
2 (March 31, 2024 : 2) equity shares of Rs. 10 each (Rs. 5 per share paid up) of Ramraj Co-operative Cane Development Union Limited (# Rs. 10) <sup>1</sup>	#	#
<b>Total (# Rs. 20)</b>	<b>#</b>	<b>#</b>
<b>Aggregate value of unquoted investments</b>	<b>#</b>	<b>#</b>

<sup>1</sup>Represent investments transferred from DCM Limited under the Scheme of Arrangement and are pending endorsement in the name of the Parent Company.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)**

7 Financial assets (Contd.)	Rs. Crore	
Particulars	As at March 31, 2025	As at March 31, 2024
<b>7.2 Other financial assets (at amortised cost)</b>		
(Unsecured, considered good except, unless otherwise stated)		
<b>Non- current</b>		
Security deposits	0.16	0.19
Fixed deposits with banks (Margin money)*	0.20	0.14
Fixed deposits with banks (Earmarked)**	0.67	0.35
Interest accrued on fixed deposits and others	0.02	0.03
	<b>1.05</b>	<b>0.71</b>
<b>Current</b>		
Security deposits	0.14	0.31
Dues from employees	0.17	0.07
Interest subvention receivable	-	0.06
Interest receivable from related party (Refer note 38)	-	0.01
Interest accrued on fixed deposits and others	0.36	0.50
Other loans and advances	2.86	2.65
	<b>3.53</b>	<b>3.60</b>
<b>Total</b>	<b>4.58</b>	<b>4.31</b>
# represent amount less than Rs. 50,000/-		
* deposits held as margin money against the bank guarantee.		
** deposits are earmarked for molasses storage fund, ethanol licence etc.		
<b>Break up of financial assets carried at amortised cost:</b>	Rs. Crore	
Particulars	As at March 31, 2025	As at March 31, 2024
Investments (Refer note 6)	#	#
Other financial assets (Refer note 7.2)	4.58	4.31
Trade receivables (Refer note 10)	33.63	39.21
Cash and cash equivalents (Refer note 11)	9.23	10.09
Other bank balances (Refer note 12)	13.91	14.88
<b>Total</b>	<b>61.35</b>	<b>68.49</b>
# represent amount less than Rs. 50,000/-		
<b>8 Other assets</b>	Rs. Crore	
Particulars	As at March 31, 2025	As at March 31, 2024
(Unsecured, considered good except, unless otherwise stated)		
<b>Non- Current</b>		
Capital advances	3.69	0.70
Prepaid expenses	0.04	0.26
	<b>3.73</b>	<b>0.96</b>
<b>Current</b>		
Unbilled revenue	2.84	4.18
Balances with government authorities		
-Considered good	1.68	0.74
-Credit impaired	1.23	1.23
Prepaid expenses	2.12	2.47
Advances to vendors	1.46	1.58
Others	0.08	0.33
	<b>9.41</b>	<b>10.53</b>
Less : Impairment allowance (allowances for bad and doubtful advances)	1.23	1.23
	<b>8.18</b>	<b>9.30</b>
<b>Total</b>	<b>11.91</b>	<b>10.26</b>

# Mawana Sugars Limited

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

9 Inventories	Rs. Crore	
Particulars	As at March 31, 2025	As at March 31, 2024
Raw and packing materials	2.35	4.33
Work-in-progress	30.72	19.50
Finished goods {includes material in transit Rs. 0.23 crore (March 31, 2024 : Rs. 3.30 crore)}	779.49	785.98
Stock in trade	1.30	59.62
Stores and Spares	7.27	8.49
<b>Total*</b>	<b>821.13</b>	<b>877.92</b>

Inventories are pledged against the borrowings (Refer note 14.3).

\*Inventories are net off Rs. 5.56 crore (March 31, 2024 : Rs. 4.97 crore) in respect of write down of inventories to net realisable value.

10 Trade receivables	Rs. Crore	
Particulars	As at March 31, 2025	As at March 31, 2024
(Unsecured, except unless otherwise stated, considered good, except unless otherwise stated)		
10.1 Trade receivables	33.63	36.75
Receivable from an associate (Refer note 38)	-	2.46
	<b>33.63</b>	<b>39.21</b>
10.2 Trade receivables	33.63	39.21
Unsecured - considered good	33.63	39.21
Unsecured - credit impaired	1.05	-
Total	<b>34.68</b>	<b>39.21</b>
Impairment allowance (allowance for bad and doubtful debts)		
Unsecured - credit impaired	1.05	-
Total	<b>1.05</b>	<b>-</b>
<b>Total</b>	<b>33.63</b>	<b>39.21</b>

- a) No trade or other receivable are due from directors or other officers of the Group either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.
- b) Trade receivables are generally non-interest bearing.
- c) Trade receivable are hypothecated against borrowings (Refer note 14.3).

### 10.3 Trade receivable Ageing Schedule

As at March 31, 2025

Rs. Crore

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables – considered good	21.37	10.70	1.02	0.08	-	0.46	<b>33.63</b>
Undisputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivables – credit impaired	-	-	-	-	-	1.05	<b>1.05</b>
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	-	-
<b>Total</b>	<b>21.37</b>	<b>10.70</b>	<b>1.02</b>	<b>0.08</b>	<b>-</b>	<b>1.51</b>	<b>34.68</b>

The unbilled revenue has been disclosed in note 8 "other current assets".

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)**
**10 Trade receivables (Contd.)**
**As at March 31, 2024**
**Rs. Crore**

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables – considered good	28.46	10.29	-	#	0.46	-	39.21
Undisputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivables – credit impaired	-	-	-	-	-	-	-
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	-	-
<b>Total</b>	<b>28.46</b>	<b>10.29</b>	<b>-</b>	<b>#</b>	<b>0.46</b>	<b>-</b>	<b>39.21</b>

# represent amount less than Rs. 50,000/-

**11 Cash and cash equivalents**
**Rs. Crore**

Particulars	As at March 31, 2025	As at March 31, 2024
Balances with banks:		
- Current accounts	6.29	7.03
Cash on hand	0.03	0.06
Fixed deposits with banks (with original maturity of three months or less)	2.91	3.00
<b>Total</b>	<b>9.23</b>	<b>10.09</b>

**Changes in liabilities arising from financing activities**
**Rs. Crore**

Particulars	Lease Liabilities	Borrowings	Total liabilities from financing activities
Balance as on March 31, 2024	0.59	567.53	568.12
Addition on account of new leases during the year	0.78	-	0.78
Acquisition of business (Refer note 54)	0.18	-	0.18
Changes in fair values	-	(0.07)	(0.07)
Cash flows	(0.53)	(149.33)	(149.86)
<b>Balance as on March 31, 2025</b>	<b>1.02</b>	<b>418.13</b>	<b>419.15</b>

**Changes in liabilities arising from financing activities**
**Rs. Crore**

Particulars	Lease Liabilities	Borrowings	Total liabilities from financing activities
Balance as on March 31, 2023	1.04	381.98	383.02
Changes in fair values	-	1.32	1.32
Cash flows	(0.45)	184.23	183.78
<b>Balance as on March 31, 2024</b>	<b>0.59</b>	<b>567.53</b>	<b>568.12</b>

**12 Other Bank Balances**
**Rs. Crore**

Particulars	As at March 31, 2025	As at March 31, 2024
Fixed deposits (having remaining maturity more than 3 months but within 12 months)		
- held as margin money against bank guarantee	1.26	12.86
- unclaimed dividend*	0.96	0.54
- earmarked deposits with banks **	11.69	1.48
<b>Total</b>	<b>13.91</b>	<b>14.88</b>

\* Parent Company can utilise the balance only towards settlement of unclaimed dividend.

\*\* Deposits are earmarked for molasses storage fund, ethanol license, sanitizer and overdraft.

# Mawana Sugars Limited

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

### 13.1 Share Capital

Rs. Crore

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Authorised:</b>		
10,00,00,000 (March 31, 2024: 10,00,00,000) equity shares of Rs. 10 each	100.00	100.00
75,00,000 (March 31, 2024: 75,00,000) preference shares of Rs. 100 each	75.00	75.00
	<b>175.00</b>	<b>175.00</b>
<b>Issued:</b>		
3,91,16,864 (March 31, 2024: 3,91,15,672) equity shares of Rs. 10 each fully paid up	39.12	39.12
<b>Subscribed and fully paid up:</b>		
3,91,16,864 (March 31, 2024: 3,91,15,672) equity shares of Rs.10 each fully paid up	39.12	39.12

#### a) Reconciliation of authorised, issued and subscribed and fully paid up share capital:

##### i. Reconciliation of authorised share capital as at year end:

Particulars	Equity shares	
	Number of shares	Rs. Crore
Aa at April 01, 2023	10,00,00,000	100.00
Increase/(decrease) during the year	-	-
As at March 31, 2024	10,00,00,000	100.00
Increase/(decrease) during the year	-	-
<b>As at March 31, 2025</b>	<b>10,00,00,000</b>	<b>100.00</b>

Particulars	Preference shares	
	Number of shares	Rs. Crore
Aa at April 01, 2023	75,00,000	75.00
Increase/(decrease) during the year	-	-
As at March 31, 2024	75,00,000	75.00
Increase/(decrease) during the year	-	-
<b>As at March 31, 2025</b>	<b>75,00,000</b>	<b>75.00</b>

##### ii. Reconciliation of issued, subscribed and fully paid up share capital at the beginning and end of the reporting year:

Particulars	Number of shares	Rs. Crore
Aa at April 01, 2023	3,91,15,672	39.12
Increase/(decrease) during the year	-	-
As at March 31, 2024	3,91,15,672	39.12
Increase/(decrease) during the year*	1,192	-
<b>As at March 31, 2025</b>	<b>3,91,16,864</b>	<b>39.12</b>

\* On October 11, 2024, the Parent Company completed the sale of its entire shareholding in its wholly owned subsidiary, Siel Infrastructure and Estate Developers Private Limited ("Siel IED"). Consequent to this divestment, the Parent Company is in the process of seeking reclassification of 1,192 equity shares of the Parent Company held by Siel IED from the Promoter Group to Public Shareholding, in accordance with Regulation 31A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, subject to the approval of the shareholders at the forthcoming Annual General Meeting. The said matter has been enquired by SEBI under Regulation 31 of SEBI (LODR) and has been appropriately responded to and clarified by the Parent Company.

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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)**


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**13.1 Share Capital (Contd.)**
**b) Terms/ rights attached to equity shares:**

The Parent Company has only one class of equity shares having a par value of Rs. 10 per share. Each share holder of equity shares is entitled to one vote per share except 1,192 equity shares held by Siel Infrastructure & Estate Developers Private Limited, a subsidiary till October 11, 2024, which pursuant to second proviso of Section 19(1) of the Companies Act, 2013, has no right to vote at meeting of the Parent Company. Each holder of equity shares have a right to receive per share dividend declared by the Parent Company. In event of liquidation of the Parent Company, holder of equity shares will be entitled to receive remaining assets of the Parent Company, after distribution of all preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholders of parent company.

**c) Detail of final dividend**

During the previous year, the shareholders of the Parent Company at its annual general meeting held on July 06, 2024 approved a dividend of 40% (i.e. Rs. 4.00 per equity share of the face value of Rs. 10 each) to the equity shareholders aggregating to Rs. 15.65 crore for the financial year ended March 31, 2024, which was deposited with the scheduled bank within the prescribed time.

**d) Detail of interim dividend and final dividend proposed**

The Board of Directors of the Parent Company, in its meeting held on November 09, 2024, declared Interim Dividend of 30% i.e. Rs. 3.00 per equity share of the face value of Rs. 10 each) for the financial year 2024-25. The same is proposed to be confirmed as final by the shareholders in the ensuing Annual General Meeting of the Parent Company. Also the Board of Directors of the Parent Company has recommended final dividend of 10% on equity shares (Rs 1.00 per equity share of Rs.10 each), subject to approval of shareholders in ensuing Annual General Meeting, the liability of which would be recognised once this is approved by shareholders in the ensuing Annual General Meeting.

**e) Details of shareholders holding more than 5% of equity shares in the Parent Company**

Name of the shareholder	As at March 31, 2025		As at March 31, 2024	
	No. of shares held	% holding in the equity shares	No. of shares held	% holding in the equity shares
Mr. Krishna Shriram (including shares held as trustee of Enterprise Trust)	2,48,34,248	63.49%	2,48,34,248	63.49%

As per records of the Parent Company including its register of shareholders/members and other declarations received from share holders regarding beneficial interest, the above share holding represents both legal and beneficial ownership of shares.

**f) Details of shares held by promoters**

**As at March 31, 2025**

Promoters Name	No. of shares at the beginning of the year	Change During the year	No. of shares at the end of the year	% of Total Shares	% change during the year
<b>Individuals</b>					
1. Mr. Krishna Shriram	2,46,17,959	-	2,46,17,959	62.94%	0.00%
2. Mr. Krishna Shriram (Holding Shares as a Trustee of Enterprise trust)	2,16,289	-	2,16,289	0.55%	0.00%
3. Mrs. Roula Shriram	536	-	536	0.00%	0.00%
<b>Bodies Corporate</b>					
1. Siel Infrastructure & Estate Developers Private Limited (Refer note 13.1(a)(ii))	1,192	-	1,192	0.00%	0.00%

# Mawana Sugars Limited

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

### 13.1 Share Capital (Contd.)

As at March 31, 2024

Promoters Name	No. of shares at the beginning of the year	Change During the year	No. of shares at the end of the year	% of Total Shares	% change during the year
<b><u>Individuals</u></b>					
1. Mr. Krishna Shriram	2,46,17,959	-	2,46,17,959	62.94%	0.00%
2. Mr. Krishna Shriram (Holding Shares as a Trustee of Enterprise trust)	2,16,289	-	2,16,289	0.55%	0.00%
4. Mrs. Roula Shriram	536	-	536	0.00%	0.00%

g) There are no shares allotted as fully paid-up by way of bonus shares or allotted as fully paid-up pursuant to contract without payment being received in cash, or bought back during the period of five years immediately preceding the reporting date. There are no securities which are convertible into equity shares.

### 13.2 Other equity

Rs. Crore

Particulars	As at March 31, 2025	As at March 31, 2024
Securities premium	149.50	149.50
Capital redemption reserve	8.77	8.77
Capital reserve	103.02	103.02
General reserve	0.45	0.45
Retained earnings	189.52	108.11
Storage fund for molasses account	1.55	1.27
<b>Total</b>	<b>452.81</b>	<b>371.12</b>

#### Nature and Purpose of Reserves

##### a. Securities Premium Reserve

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilized only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

##### b. Capital redemption reserve

Capital redemption reserve (CRR) is used to record the amount equal to the nominal value of equity shares buy back or redemption of preference shares. As per provisions of the Companies Act, 2013, CRR can be utilised only for paying up unissued shares of the Parent Company to be issued to members of the Parent Company as fully paid bonus shares.

##### c. Capital Reserve

Capital reserve includes :

- Rs. 99.15 crore representing the extinguishment of the debts of erstwhile Mawana Sugars Limited (MSL), which got discharged pursuant to the surplus arising on sale of shares of Shivajimarg Properties Limited and,
- Rs. 3.87 crore representing the extinguishment of preference share capital.

##### d. Storage fund for molasses account

As per Rule 3(1) of UP Sheera Niyantan Niyamawali, 1974, Molasses Storage Fund is created from the sale price of molasses and shall be utilized for the purpose of construction, erection and repair & maintenance of adequate storage facility of Molasses. Also it may be spent on abatement measures for control of pollution and or any other bonafide development activities which the Controller of molasses considers necessary.

##### e. General reserve

Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable results for that year. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)**
**14 Borrowings**
**Rs. Crore**

Particulars	As at March 31, 2025	As at March 31, 2024
<b>14.1 Non current borrowings (at amortised cost)</b>		
<b>Secured (Refer note 14.3)</b>		
Term Loans - from banks *	-	4.76
Less: Amount clubbed under "Current borrowings"	-	4.76
	-	4.76
	-	-
<b>14.2 Current borrowings</b>		
<b>Secured (Refer note 14.3)</b>		
Loans repayable on demand - Cash credit/overdrafts from bank	418.13	562.77
Current maturities of Long term borrowings *	-	4.76
<b>Total current borrowings</b>	<b>418.13</b>	<b>567.53</b>
<b>Total borrowings</b>	<b>418.13</b>	<b>567.53</b>

\* During the financial year 2018-19, the Parent Company had received soft loans of Rs. 146.00 crore through a bank under the "Scheme for Extending Financial Assistance to Sugar Undertakings - 2018" as notified by UP State Government to clear the outstanding cane dues of the farmers for the sugar season 2017-18. The Parent Company has repaid the said loan during the current year (March 31, 2024 : Rs. 4.76 crore).

**14.3 Security Clause**
**A. Term loans - from banks**
**Rs. Crore**

	As at March 31, 2025	As at March 31, 2024	Rate of interest	Nature of security and repayment terms
i	-	4.76	5.00%	<p>The soft loans were secured by first pari-passu charge on entire fixed assets of the respective sugar units Mawana Sugar Works and Nanglamal Sugar Complex except on Incinerator Boiler at Nanglamal Sugar Complex and was also secured by corporate guarantee provided by the Parent Company.</p> <p>These loans have been fully repaid during the year ended March 31, 2025 and all securities have been released.</p> <p>As at March 31, 2024, the outstanding balance of Rs 2.81 crore pertaining to Mawana Sugar Works was payable in 2 monthly installment of Rs. 1.41 crore each and outstanding balance of Rs 2.01 crore pertaining to Nanglamal Sugar Complex was repayable in 2 monthly installment of Rs. 1.02 crore each.</p>

**B. Loans repayable on demand - from banks**

i	408.25	562.77	9.50%	Cash credit from a bank are secured by way of pledge of Sugar stocks, first charge on the semi- finished sugar including sugar in process, raw materials, first pari passu charge on the fixed assets, hypothecation of book debts of the respective sugar units Nanglamal Sugar Complex and Mawana Sugar Works and also secured by the corporate guarantee of the Parent Company.
ii	9.88	-	Fixed deposit rate +0.75 %	During the current year, the Parent Company availed an overdraft facility against fixed deposits, with a sanctioned limit of Rs 20.00 crore. A fixed deposit of Rs 10.00 crore has been pledged as security against the outstanding overdraft balance.

# Mawana Sugars Limited

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

15 Lease liabilities		Rs. Crore	
Particulars		As at March 31, 2025	As at March 31, 2024
<b>1 Non- current :</b>			
Lease liabilities			
- Related party (Refer note 38)		0.37	-
- Others		0.07	0.07
		<b>0.44</b>	<b>0.07</b>
<b>2 Current :</b>			
Lease liabilities			
- Related party (Refer note 38)		0.41	0.41
- Others		0.17	0.11
		<b>0.58</b>	<b>0.52</b>
<b>Total</b>		<b>1.02</b>	<b>0.59</b>
<b>16 Provisions</b>			Rs. Crore
Particulars		As at March 31, 2025	As at March 31, 2024
<b>1 Non- current :</b>			
<b>Provision for employee benefits</b>			
- Provision for gratuity (Refer note 37)		10.44	9.79
		<b>10.44</b>	<b>9.79</b>
<b>2 Current :</b>			
<b>Provision for employee benefits</b>			
- Provision for gratuity (Refer note 37)		1.39	1.36
- Provision for compensated absences		3.29	2.80
		<b>4.68</b>	<b>4.16</b>
<b>Total</b>		<b>15.12</b>	<b>13.95</b>
<b>17 Trade payables</b>			Rs. Crore
Particulars		As at March 31, 2025	As at March 31, 2024
<b>17.1 Trade payables :</b>			
- Total outstanding dues to micro and small enterprises (Refer note 45)*		2.71	6.54
- Total outstanding dues of creditors other than micro and small enterprises		132.31	145.14
		<b>135.02</b>	<b>151.68</b>
- Outstanding dues to related parties (Refer note 38)		0.13	0.28
- Outstanding dues to others**		134.89	151.40
<b>Total</b>		<b>135.02</b>	<b>151.68</b>

\*Including interest of Rs. 0.01 crore (March 31, 2024 : Rs. 0.01 crore) outstanding dues to micro and small enterprises.

\*\* Included as per Enhancement Compensation Order dated November 22, 2017 of Hon'ble Supreme Court, an amount of Rs. 1.31 crore as at March 31, 2024 which was payable to Land Collector Aquisition/ADJ, District Court Patiala, against the legal case which shall ultimately be paid to beneficiary farmers. The liability is derecognised on divestment of subsidiary during the current year.

1. For maturity profile of trade payable and other financial liabilities, Refer note 41.
2. For explanation on the Group's credit risk management processes, Refer note 41.
3. Trade payables are non-interest bearing.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)**
**17 Trade payables (Contd.)**
**17.2 Trade Payable Ageing Schedule**
**As at March 31, 2025**
**Rs. Crore**

Particulars	Uninvoiced	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	0.05	2.65	-	-	-	0.01	2.71
Total outstanding dues of creditors other than micro enterprises and small enterprises	3.97	80.26	19.18	0.08	0.09	0.18	103.76
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises (Refer note 48)	28.55	-	-	-	-	-	28.55
<b>Total</b>	<b>32.57</b>	<b>82.91</b>	<b>19.18</b>	<b>0.08</b>	<b>0.09</b>	<b>0.19</b>	<b>135.02</b>

**As at March 31, 2024**
**Rs. Crore**

Particulars	Uninvoiced	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	#	6.54	#	-	-	-	6.54
Total outstanding dues of creditors other than micro enterprises and small enterprises	3.37	29.31	81.16	0.24	0.14	0.08	114.30
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises (Refer note 48)	30.75	-	-	-	-	0.09	30.84
<b>Total</b>	<b>34.12</b>	<b>35.85</b>	<b>81.16</b>	<b>0.24</b>	<b>0.14</b>	<b>0.17</b>	<b>151.68</b>

# represent amount less than Rs. 50,000/-

**18 Other financial liabilities**
**Rs. Crore**

Particulars	As at March 31, 2025		As at March 31, 2024	
<b>Current at amortised cost :</b>				
Interest accrued but not due on borrowings		0.04		-
Trade deposits - dealers and others		4.55		3.63
Employees related payables		7.63		4.15
Payable towards capital goods (Refer note 45)		0.80		0.88
Unpaid dividend*		0.96		0.54
Interest payable		0.79		4.70
Other payables		-		0.01
<b>Total</b>		<b>14.77</b>		<b>13.91</b>

\* There is no amount due for payment to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 as at the year end.

# Mawana Sugars Limited

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

### 18 Other financial liabilities (Contd.)

Breakup of financial liabilities at amortised cost:	Rs. Crore	
Particulars	As at March 31, 2025	As at March 31, 2024
Borrowings (Refer note 14)	418.13	567.53
Lease liabilities (Refer note 15)	1.02	0.59
Trade payables (Refer note 17)	135.02	151.68
Other financial liabilities (Refer note 18)	14.77	13.91
<b>Total</b>	<b>568.94</b>	<b>733.71</b>

### 19 Other liabilities

Particulars	Rs. Crore	
Particulars	As at March 31, 2025	As at March 31, 2024
<b>Current liabilities</b>		
Advance received from customers and others	2.12	2.03
Statutory liabilities	7.95	7.46
Interest on statutory dues	9.92	9.60
Government grants	-	0.07
<b>Total</b>	<b>19.99</b>	<b>19.16</b>

### 20 Income tax and deferred tax

a) The major components of income tax expense for the years ended March 31, 2025 and March 31, 2024 :

Profit or loss section:	Rs. Crore	
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
<b>Tax Expense:</b>		
Current income tax charge	7.17	-
Adjustment in respect of deferred tax of earlier years	0.11	(0.07)
<b>Deferred tax:</b>		
Relating to origination and reversal of temporary differences	12.66	15.46
<b>Income tax expense reported in the statement of profit or loss</b>	<b>19.94</b>	<b>15.39</b>

#### Other Comprehensive Income section:

Deferred tax related to items recognised in other comprehensive income during the year:	Rs. Crore	
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Net gain on remeasurements of defined benefit plans	0.12	#
<b>Deferred tax credit/(charge) to other comprehensive income</b>	<b>0.12</b>	<b>#</b>

# represent amount less than Rs. 50,000/-

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)**
**20 Income tax and deferred tax (Contd.)**

b) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for the year ended March 31, 2025 and March 31, 2024.

Particulars	Rs. Crore	
	Year ended March 31, 2025	Year ended March 31, 2024
Profit before tax (including item of other comprehensive income)	128.89	53.05
Tax expenses @ applicable income tax rate of 25.168%	32.44	13.35
Losses of subsidiaries on which no income tax asset was created (net of consolidation adjustments)	0.47	1.24
Tax effect on unrecognised unabsorbed depreciation recognised during the year	(3.06)	-
Tax effect of loss on remeasurement of previously held interest in associate	0.36	-
Tax effect on permanent differences	(0.18)	3.46
Adjustment in respect of deferred tax of earlier years	0.11	(0.07)
Tax effect on capital gains	(8.61)	(2.59)
Reversal of deferred tax liabilities on derecognition of investments	(1.71)	-
<b>Income tax expense reported in the statement of profit and loss &amp; other comprehensive income</b>	<b>19.82</b>	<b>15.39</b>

c) Deferred tax assets (net)

Deferred tax:	Rs. Crore		
	As at March 31, 2024	Provided during the year	As at March 31, 2025
<b>Deferred tax assets relates to the following</b>			
Provision for doubtful debts and advances	0.31	-	0.31
Disallowances u/s 43 B	12.40	0.28	12.68
Unabsorbed depreciation	18.27	(15.82)	2.45
Recognition of lease liability	0.15	0.06	0.21
<b>Total deferred tax assets (A)</b>	<b>31.13</b>	<b>(15.48)</b>	<b>15.65</b>
<b>Deferred tax liabilities relates to the following</b>			
Accelerated depreciation for tax purposes	15.79	(1.19)	14.60
Recognition of right of use assets	0.13	0.08	0.21
Others	1.71	(1.71)	-
<b>Total deferred tax liabilities (B)</b>	<b>17.63</b>	<b>(2.82)</b>	<b>14.81</b>
<b>Net deferred tax assets (A-B)</b>	<b>13.50</b>	<b>(12.66)</b>	<b>0.84</b>

The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

The management at the end of each reporting period, assesses Group's ability to recognize deferred tax assets on unabsorbed depreciation carried forward, taking into account forecasts of future taxable profits and the law and jurisdiction of the taxable items and the assumptions on which these projections are based. Based on profit earned during the current year and previous years, future profitability projections considering expected future market, economic conditions and tax laws, the management is confident that there would be sufficient taxable profits in future which will enable the Group to utilize the above deferred tax assets on unabsorbed depreciation.

# Mawana Sugars Limited

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

21 Income tax assets			Rs. Crore
Particulars	As at March 31, 2025	As at March 31, 2024	Rs. Crore
Advance payment of income tax	2.11	1.37	
<b>Total</b>	<b>2.11</b>	<b>1.37</b>	
22 Current tax liabilities (net)			Rs. Crore
Particulars	As at March 31, 2025	As at March 31, 2024	Rs. Crore
Provision for taxation	-	1.52	
	-	<b>1.52</b>	
23 Revenue from operations			Rs. Crore
Particulars	Year ended March 31, 2025	Year ended March 31, 2024	Rs. Crore
<b>Sale of products</b>			
Finished Goods	1,433.12	1,339.06	
Traded Goods	10.01	11.88	
<b>Other operating revenue:</b>			
Sale of scrap	3.36	4.15	
Duty draw back and other export benefits	-	#	
<b>Total revenue from operations</b>	<b>1,446.49</b>	<b>1,355.09</b>	
<b>Disaggregated revenue information</b>			
Sugar	1,199.15	1,062.31	
Industrial Alcohol	172.28	218.42	
Power	17.40	17.53	
By Products			
- Molasses	8.02	5.21	
- Bagasse	30.60	30.91	
Traded Goods	10.01	11.88	
Scrap	3.36	4.15	
Others	5.67	4.68	
<b>Total</b>	<b>1,446.49</b>	<b>1,355.09</b>	
<b>Timing of revenue recognition</b>			
Goods transferred at a point in time	<b>1,446.49</b>	<b>1,355.09</b>	
<b>Reconciliation of amount of revenue recognised with contract price</b>			
Revenue as per contracted price	<b>1,446.49</b>	<b>1,355.09</b>	
Adjustments			
- Duty draw back and other export benefits	-	#	
<b>Total</b>	<b>1,446.49</b>	<b>1,355.09</b>	

For detail of contract balances, refer note 10 and 19. Also refer note 39 for segment information.

# represent amount less than Rs. 50,000/-

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)**
**24 Other income** Rs. Crore

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Interest income <sup>1</sup>		
- Interest from banks	1.34	1.26
- Interest on income tax refunds	0.07	0.05
- Interest from others	0.04	0.03
Rent received	0.10	0.09
Liabilities/credit balances no longer required written back (Refer note 47(b))	0.09	2.61
Recovery of advances written off in earlier years	-	0.13
Net gain on foreign currency transactions	#	0.04
Profit on disposal of property, plant and equipment (net) (Refer note 47(a))	0.03	23.01
Insurance claims income	-	0.07
Sale of export quota	4.55	-
Miscellaneous income	2.92	0.33
<b>Total</b>	<b>9.14</b>	<b>27.62</b>

<sup>1</sup>Total income (calculated using effective interest method) for financial assets those are not at fair value through profit and loss.

In relation to financial assets classified at amortised cost	1.45	1.34
<b>Total</b>	<b>1.45</b>	<b>1.34</b>

# represent amount less than Rs. 50,000/-

**25 Cost of materials consumed** Rs. Crore

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Inventory at the beginning of the year	4.33	3.09
Add: Purchases made during the year*	1,115.53	1,245.11
	<b>1,119.86</b>	<b>1,248.20</b>
Less: Inventory at the end of the year	2.35	4.33
<b>Cost of materials consumed</b>	<b>1,117.51</b>	<b>1,243.87</b>

\* includes incidental expenses of Rs. 13.69 crore (March 31, 2024 : Rs 12.78 crore) related to procurement of sugarcane (net of recovery of Rs. 5.40 crore (March 31, 2024 : Rs. 3.29 crore) from farmers on distribution of seeds).

**Details of materials consumed are as under :** Rs. Crore

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Sugar cane	1,098.39	1,217.47
Packing materials	16.89	19.43
Others	2.23	6.97
<b>Total</b>	<b>1,117.51</b>	<b>1,243.87</b>

**Details of inventory : Raw and packing materials** Rs. Crore

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Sugar cane	0.58	1.57
Packing materials	1.77	2.76
<b>Total</b>	<b>2.35</b>	<b>4.33</b>

# Mawana Sugars Limited

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

### 26 Changes in inventories of finished goods, work-in-progress and stock in trade Rs. Crore

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
<b>Inventories at the end of the year</b>		
- Finished goods	779.49	785.98
- Work in progress	30.72	19.50
- Stock in trade	1.30	59.62
<b>Total B</b>	<b>811.51</b>	<b>865.10</b>
<b>Inventories at the beginning of the year</b>		
- Finished goods	785.98	565.72
- Work in progress	19.50	49.02
- Stock in trade	59.62	61.01
<b>Total A</b>	<b>865.10</b>	<b>675.75</b>
<b>Total (A-B)</b>	<b>53.59</b>	<b>(189.35)</b>
<b>Adjustments :-</b>		
Less: Stock in trade (land) derecognized on sale of subsidiary (Refer note 53)	58.34	-
Add: Finished goods (sugar) transferred on acquisition of subsidiary (Refer note 54)	0.84	-
<b>Total</b>	<b>(3.91)</b>	<b>(189.35)</b>

### Details of inventory : Rs. Crore

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
<b>Finished goods</b>		
Sugar	706.31	731.79
Industrial Alcohol	24.36	20.74
By Products		
- Molasses	37.99	26.58
- Bagasse	7.94	5.47
Others	2.89	1.40
<b>Total</b>	<b>779.49</b>	<b>785.98</b>
<b>Stock in trade</b>		
Land	-	58.28
Others	1.30	1.34
<b>Total</b>	<b>1.30</b>	<b>59.62</b>
<b>Work-in-progress</b>		
Sugar	13.92	11.66
By Product		
- Molasses	16.56	7.52
Others	0.24	0.32
<b>Total</b>	<b>30.72</b>	<b>19.50</b>

### 27 Employee benefits expenses Rs. Crore

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Salaries, wages and bonus	77.82	70.61
Contribution to provident and other funds	4.94	5.37
Gratuity (Refer note 37)	2.22	1.94
Staff welfare expenses	3.14	2.81
<b>Total</b>	<b>88.12</b>	<b>80.73</b>

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)**
**28 Finance costs** Rs. Crore

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Interest on borrowings*	28.87	28.67
Interest on others**	0.65	0.94
Finance charges payable under leases	0.04	0.09
<b>Total</b>	<b>29.56</b>	<b>29.70</b>

Total interest expenses (calculated using effective interest method) for financial liabilities that are not at fair value through profit and loss.

In relation to financial liabilities classified at amortised cost	29.56	29.70
<b>Total</b>	<b>29.56</b>	<b>29.70</b>

\* net of buffer subsidy / subvention Nil (March 31, 2024 : Rs. 0.06 crore).

\*\*Including interest on income tax Rs. 0.14 crore (March 31, 2024 : Rs. 0.31 crore).

**29 Depreciation and amortization expense** Rs. Crore

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Depreciation of property, plant and equipment (Refer note 3)	33.06	34.87
Amortisation of intangible assets (Refer note 4)	-	0.01
Depreciation of right of use assets (Refer note 5)	0.50	0.47
<b>Total</b>	<b>33.56</b>	<b>35.35</b>

**30 Other expenses** Rs. Crore

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Consumption of stores and spares	39.61	41.78
Power and fuel	0.01	1.43
Other manufacturing expenses	8.08	8.50
Commission to indenting and ordering agent	2.27	2.00
<b>Repairs</b>		
- Building	2.68	3.21
- Plant and equipment	16.21	16.50
- Others	1.93	2.42
Rent paid	1.27	1.00
Payment to statutory auditors (Refer details in next page)	0.84	0.69
Insurance	2.54	2.73
Rates and taxes	7.01	6.32
Freight and transport	8.80	9.32
Legal and professional expenses	6.45	6.67
Impairment allowance for doubtful debts, capital advances and other assets (net)	-	0.06
Irrecoverable balances written off	0.01	0.16
Land development expense	0.09	0.10
Miscellaneous expenses	13.61	14.28
<b>Total</b>	<b>111.41</b>	<b>117.17</b>

# Mawana Sugars Limited

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

### 30 Other expenses (Contd.)

Payment to statutory auditors	Rs. Crore	
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
As auditors		
Audit fee (limited review of unaudited financial results)*	0.68	0.51
Tax audit fee	0.08	0.08
Certification fees	0.03	0.05
Out of pocket expenses	0.05	0.05
<b>Total</b>	<b>0.84</b>	<b>0.69</b>

\* includes audit fee of Rs. 0.04 crore (March 31, 2024 : Rs. 0.02 crore) for subsidiaries and associate paid to other auditors.

### 31 Exceptional Items

Particulars	Rs Crore	
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Profit on sale on investment in subsidiary companies (Refer note 53)	62.70	-
Loss on remeasurement of previously held interest in associate (Refer note 54)	(1.42)	-
<b>Total</b>	<b>61.28</b>	<b>-</b>

### 32 Earnings per share (EPS)

- Basic and Diluted EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Parent Company by the weighted average number of equity shares outstanding during the year.
- The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Profit after tax and exceptional items as per the statement of Profit and Loss (Rs. Crore)	109.42	37.65
Weighted average number of equity shares for basic and diluted EPS	3,91,16,864	3,91,15,672
<b>Basic and diluted earnings per share (in Rs.)</b>	<b>27.97</b>	<b>9.63</b>
<b>Face Value per share (in Rs.)</b>	<b>10.00</b>	<b>10.00</b>

### 33 Leases

#### (a) Group as lessee

The Group has lease contracts for its head office, corporate office and rented godowns used in its operations. Generally, the Group is restricted from assigning and subleasing the leased assets. The Group also has certain leases of assets with lease terms of 12 months or less. The Group applies the short-term leases recognition exemptions for these leases, other than lease from related parties.

**Set out below are the carrying amounts of right of use assets recognised and the movements during the year:**

Particulars	Right of use assets	Rs. Crore
<b>As at April 01, 2023</b>		<b>0.97</b>
Additions		-
Depreciation		(0.47)
Disposals		-
<b>As at April 01, 2024</b>		<b>0.50</b>
Additions		0.78
Due to acquisition of business (Refer note 54)		0.18
Depreciation		(0.50)
<b>As at March 31, 2025</b>		<b>0.96</b>

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)**
**33 Leases (Contd.)**

Set out below are the carrying amounts of lease liabilities and the movements during the year:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024	Rs. Crore
<b>Opening balance</b>	0.59	1.04	
Additions	0.78	-	
Accretion of interest	0.04	0.09	
Due to acquisition of business (Refer note 54)	0.20	-	
Payments	(0.59)	(0.54)	
<b>Closing balance</b>	<b>1.02</b>	<b>0.59</b>	
<b>Current lease liabilities</b>	<b>0.58</b>	<b>0.52</b>	
<b>Non current lease liabilities</b>	<b>0.44</b>	<b>0.07</b>	

Considering the lease term of the leases, the effective interest rate for lease liabilities is 11%

The following are the amounts recognised in statement of profit and loss:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024	Rs. Crore
Depreciation of right-of-use assets	(0.50)	0.47	
Interest expense on lease liabilities	0.04	0.09	
Expense relating to short-term leases (included in other expenses)	1.27	1.00	
<b>Total amount recognised in statement of profit or loss</b>	<b>0.81</b>	<b>1.56</b>	

For maturity analysis of lease liability, refer note 41 Financial risk management framework and policies under maturities of financial liabilities.

The Group had total cash outflows for leases of Rs. 1.86 crore (March 31, 2024 Rs 1.53 crore). There are no future cash outflows relating to leases that have not yet commenced.

Payments associated with short-term leases other than leases from related parties are recognised on a straight-line basis as an expense in statement of profit and loss. Short-term leases are leases with a lease term of 12 months or less.

**(b) Group as lessor**

The Group has given certain portion of its factory premises under operating leases. The gross carrying amount, accumulated depreciation and depreciation recognised in the statement of profit and loss in respect of such portion of the leased premises are not separately identifiable. There is no impairment loss in respect of such premises. No contingent rent has been recognised in the statement of profit and loss. Lease income is recognised in the statement of profit and loss under "Other income" (Refer note 24).

**34 Commitments and Contingencies**

**(a) Commitments**

Particulars	As at March 31, 2025	As at March 31, 2024	Rs Crore
a. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances):	11.79	7.39	
b. Uncalled liability on shares and other investments partly paid (# Rs. 20)	#	#	
<b>Total</b>	<b>11.79</b>	<b>7.39</b>	

### 34 Commitments and Contingencies (Contd.)

#### (b) Contingent Liabilities in respect of Income Taxes/Central Excise/Service Tax/Value Added Tax and other taxes

##### (i) In respect of indirect taxes / statutory dues

Rs. Crore

Nature of Dispute	Description	Period	As at March 31, 2025	As at March 31, 2024
Central Excise, State Excise, Service Tax and Goods and Service Tax	Matter under litigation for Central Excise, Service Tax and Goods & Service Tax Department towards wrong availment of cenvat credit taken, dispute on levy of service tax and excise duty and penalty/Interest imposed	1994-95 to 1996-97, 1998-99, 1999-2000 to 2002-03, 2006-07, 2004-05 to 2016-17 and 2019-20	2.25	2.52
Provident Fund	Demand Notice received from Employees' Provident Fund Organisation towards levy of damages under Section 14-B and Interest under Section 7-Q of The Employees' Provident Fund and Miscellaneous Provisions Act, 1952	1996-2020	1.62	-
House Tax and Water Tax	House Tax and Water Tax dispute with Nagarpalika Parishad, Mawana, pending reassessment	2007-08 to 2024-25	2.47	2.32
<b>Total (i)</b>			<b>6.34</b>	<b>4.84</b>

##### (ii) Other Matters under disputes are as below:

Rs. Crore

Nature of Dispute	Description	Period	As at March 31, 2025	As at March 31, 2024
Land	Land related disputes	1985-86, 1975-76, 2007-08 to 2023-24	0.10	0.10
		<b>Total</b>	<b>0.10</b>	<b>0.10</b>
Labour	Labour related disputes	2006-07, 2008-09 and 2010-11	0.17	0.40
		1997-98, 1999-2000 to 2002-03, 2008-09, 2010-11 and 2012-13	0.92	0.92
		1999-2000, 2005-06, 1996-97, 1993-94, 1992-93, 1985-86, 1995-96, 1992-93, 2014-15, 2018-19, 2021-22, 2022-23, 2023-24 and 2024-25	1.56	1.37
		<b>Total</b>	<b>2.65</b>	<b>2.69</b>
	Others	2010-11, 2022-23 and 2024-25	0.47	0.31
		<b>Total</b>	<b>0.47</b>	<b>0.31</b>
Interest on Cane Price / Commission Arrears	Interest on delay payment of cane dues (Refer note 50)	2002-03, 2006-07, 2012-13 to 2023-24	479.86	477.79
		<b>Total</b>	<b>479.86</b>	<b>477.79</b>
		<b>Total (ii)</b>	<b>483.08</b>	<b>480.89</b>
<b>Grand Total ((i)+(ii))</b>			<b>489.42</b>	<b>485.73</b>

(iii) During an earlier year, the Parent Company had provided bank guarantees (BG) amounting to Rs. 7.20 crore to Tecumseh Products India Limited (TPIL), to whom it had sold the compressor business in an earlier year. These guarantees were issued to cover any loss, damage, claim, action, suit, etc., arising from various representations or breaches thereof, including contingent liabilities existing on or prior to March 31, 1997, which TPIL might eventually be liable to pay. These liabilities related to pending demands in respect of sales tax, central excise, and civil matters.

During the financial year 2023-24, cases related to central excise were decided in favour of TPIL by the Hon'ble High Court of Andhra Pradesh, vide its order dated March 19, 2024. The court's decision was based on a circular issued by the Central Board of Indirect Taxes (CBIT), which stated that no appeal shall be filed by the department in cases where the amount involved is less than Rs. 1.00 crore.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)**
**34 Commitments and Contingencies (Contd.)**

Consequently, during the current year, the Parent Company received back the duly discharged bank guarantees along with fixed deposits amounting to Rs. 6.92 crore from TPIL. The Parent Company has now provided a fresh bank guarantee amounting to Rs. 0.28 crore to TPIL, covering the remaining contingent liabilities of Rs. 0.16 crore in respect of sales tax and Rs. 0.12 crore for a pending civil case.

- (iv) During an earlier year, the Parent Company had given a counter indemnity/guarantee in favour of existing directors of Transiel India Limited ("the Subsidiary") to protect their interest against any loss/ future liabilities that may arise after the name of the said subsidiary that has been struck off under the Easy Exit Scheme, 2011.
- (v) There are numerous interpretative issues relating to the Supreme Court (SC) judgement on PF, dated February 28, 2019. The Parent Company will make necessary provision on receiving further clarity on the subject.
- (vi) In case of Parent Company during an earlier year, Income Tax department had passed an assessment order for the assessment year 2017-18 under Section 143(3) of the Income Tax Act, 1961, wherein the assessing officer had disallowed / added back certain items resulting into adjustment of brought forward losses/unabsorbed depreciation by Rs. 336.40 crore under normal provisions of the Income Tax Act. Under Section 115JB (MAT), the assessing officer raised demand of Rs. 13.90 crore (including interest of Rs. 4.53 crore) and further interest demand on the above demand of Rs. 5.25 crore was raised. Against the total tax demand of Rs. 19.15 Crore, the Parent Company is carrying provision of Rs. 14.67 crore (March 31, 2024 Rs. 14.54 crore) ((including interest of Rs. 5.45 crore (March 31, 2024 Rs. 5.37 crore)). However, based on the legal opinion taken by the Parent Company, additions/demands are not sustainable under the provisions of the Income Tax Act. An appeal had been filed by the Parent Company in an earlier year against the above said order with CIT(Appeals) which is under hearing and an application under Section 154 of the Income Tax Act for the rectification of the said additions/demands has also been filed in an earlier year with the Assessing Officer. The Parent Company has already deposited (including adjustment of income tax refund of the subsequent years) a sum of Rs 9.26 crore under protest against the above demand amount.
- (vii) In case of Parent Company during an earlier year, Income Tax department had passed an assessment order for the assessment year 2018-19 under Section 143(3) of the Income Tax Act, 1961, wherein the assessing officer had disallowed / added back certain items resulting into adjustment of brought forward losses/unabsorbed depreciation by Rs. 20.30 Crore under normal provisions of the Income Tax Act. An appeal had been filed by the Parent Company in the previous year against the above said order with CIT(Appeal) which is under hearing.
- (viii) Other income tax demands on Parent Company for the assessment year 2021-22 amounting to Rs. 0.06 crore (March 31, 2024 Rs. 0.06 crore).
- (ix) Contingent Liabilities of Subsidiary - Mawana Foods Private Limited

**Rs. Crore**

<b>Nature of Dispute</b>	<b>Description</b>	<b>As at March 31, 2025</b>	<b>As at March 31, 2024</b>
Sales tax matters, disputed and under appeal/rectification	Mawana Foods Private Limited has pending litigations relating to non deposit of forms with the department pending at various levels/rectification. Mawana Foods Private Limited is confident about the outcome of the case. As per the management, Mawana Foods Private Limited have all forms those are required to be deposited with the department.	1.46	0.02

**35 Research and development costs**

Research and development expenses included under relevant heads in the Statement of Profit and Loss amounting to Rs. 1.38 crore (March 31, 2024 Rs. 1.51 crore).

**36 Disclosure of interest in subsidiaries and associate**

<b>S.No</b>	<b>Particulars</b>	<b>Relationship</b>	<b>Country of Incorporation/ Principal place of business</b>	<b>Ownership Interest of Mawana Sugars Limited (%)</b>	
				<b>As at March 31, 2025</b>	<b>As at March 31, 2024</b>
(i)	Siel Industrial Estate Limited	Subsidiary*	India	0.00%	100.00%
(ii)	Siel Infrastructure & Estate Developers Private Limited	Subsidiary*	India	0.00%	100.00%
(iii)	Mawana Foods Private Limited	Subsidiary**	India	100.00%	33.74%

\* ceased to be subsidiary w.e.f October 11, 2024 (Refer note 53)

\*\* w.e.f December 31, 2024 (Refer note 54)

The Group has accounted for investments in the above entities at cost less impairment loss, if any.

### 37 Gratuity and other post-employment benefit plans

#### a) Defined contribution plans

The Group makes contributions towards provident fund to a defined contribution retirement benefit plan for qualifying employees. Under the plan, the Group is required to contribute a specified percentage of payroll cost to the retirement benefit plan to fund the benefits. Contribution paid for provident fund is recognised as expense for the year :

Amount recognised in Statement of Profit and Loss:	Year ended March 31, 2025	Year ended March 31, 2024	Rs. Crore
Employer's contribution to provident fund/pension scheme	4.77	5.05	

#### b) Defined Benefits Plans

Gratuity (Funded) – In accordance with IndAS 19, actuarial valuation was done and details of the same are given below: The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. In case of Parent Company, the gratuity fund is managed by the Life Insurance Corporation of India (LIC). The Group's obligation in respect of gratuity plan is provided based on the actuarial valuation. The Group recognises actuarial gains and losses immediately in other comprehensive income net of taxes.

Particulars	Rs. Crore	
	Year ended March 31, 2025	Year ended March 31, 2024
	Gratuity (Funded)	Gratuity (Funded)
<b>Change in the Present value of obligation</b>		
1 Present value of obligation at the beginning of the year	16.10	16.03
2 Add: Current service cost	1.40	1.11
3 Add: On acquisition of subsidiary	0.21	-
4 Add: Interest cost	1.18	1.18
5 Add/(Less): Actuarial (gain) / loss	0.49	#
6 Less: Benefits paid	(2.02)	(2.22)
<b>7 Present value of obligation at the end of the year</b>	<b>17.36</b>	<b>16.10</b>
<b>Change in the fair value of plan assets</b>		
1 Fair value of plan assets at the beginning of the year	4.95	4.70
2 Add: Expected return on plan assets	0.36	0.35
3 Add: Contribution by the Company	0.22	-
4 Less: Benefits paid	(0.03)	(0.10)
5 Add/(Less): Actuarial gain/(loss)	0.03	#
<b>6 Plan assets at the end of the year</b>	<b>5.53</b>	<b>4.95</b>
<b>Liability recognized in the financial statements</b>	<b>11.83</b>	<b>11.15</b>
<b>Current</b>	<b>1.39</b>	<b>1.36</b>
<b>Non-current</b>	<b>10.44</b>	<b>9.79</b>

The plan assets are maintained with Life Insurance Corporation of India Gratuity Scheme. The details of investments maintained by Life Insurance Corporation are not available with the Parent Company and hence have not been disclosed.

The following tables summarise the components of net benefit expense recognised in the Statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:

Amount recognised in Statement of Profit and Loss:	Rs. Crore	
	Year ended March 31, 2025	Year ended March 31, 2024
Current service cost	1.40	1.11
Net interest expense	0.82	0.83
<b>Amount recognised in Statement of Profit and Loss</b>		<b>2.22</b>
# represent amount less than Rs. 50,000/-		<b>1.94</b>

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)**
**37 Gratuity and other post-employment benefit plans (Contd.)**
**Rs. Crore**

Amount recognised in Other Comprehensive Income:	Year ended March 31, 2025	Year ended March 31, 2024
Actuarial gain/(loss) on obligation arising from :		
- Demographic assumption	-	-
- Financial assumption	(0.51)	(0.14)
- Experience adjustment	0.01	0.14
Actuarial gain/(loss) on fair value of plan assets	0.03	#
<b>Amount of gain/(loss) recognised in Other Comprehensive Income</b>	<b>(0.47)</b>	<b>#</b>

# represent amount less than Rs. 50,000/-

**c) Risk exposure**
**Actuarial Risk**

It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons:

Adverse Salary Growth Experience: Salary hikes that are higher than the assumed salary escalation will result into an increase in obligation at a rate that is higher than expected.

Variability in mortality rates: If actual mortality rates are higher than assumed mortality rate assumption, then the Gratuity Benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cash flow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.

Variability in withdrawal rates: If actual withdrawal rates are higher than assumed withdrawal rate assumption, then the Gratuity Benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

**Investment Risk**

For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

**Liquidity Risk**

Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign/retire from the company, there can be strain on the cash flows.

**Market Risk**

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

**Legislative Risk**

Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

**The major categories of plan assets of the fair value of the total plan assets are as follows:**

Particulars	At at March 31, 2025	At at March 31, 2024
<b>Gratuity</b>		
Investment Details	Funded	Funded
Investment with Insurer (LIC)	100%	100%

# Mawana Sugars Limited

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

### 37 Gratuity and other post-employment benefit plans (Contd.)

The principal assumptions used in determining gratuity liability for the Parent Company's plans are shown below:

Particulars	At at March 31, 2025	At at March 31, 2024
Discount rate (%)	6.79	7.23
Future salary increases (%)	5.00	5.00
Retirement Age (Years)	58/60	58/60
Weighted average duration (Years)	12.06	12.02
Average remaining working lives of employees (Years)	14.94	12.88
<b>Withdrawal rate</b>		
Up to 30 years	3%	3%
From 31 to 44 years	2%	2%
Above 44 years	1%	1%
Mortality rate	100% of IALM (2012-14)	100% of IALM (2012-14)

A quantitative sensitivity analysis for significant assumption as at March 31, 2025 is as shown below:

#### Gratuity Plan

Assumptions	Discount rate		Future salary increase	
Discount rate	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit obligation	(0.59)	0.63	0.64	(0.60)

A quantitative sensitivity analysis for significant assumption as at March 31, 2024 is as shown below:

#### Gratuity Plan

Assumptions	Discount rate		Future salary increase	
Discount rate	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit obligation	(0.54)	0.57	0.58	(0.55)

The sensitivity analyses above has been determined based on the method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The following payments are expected contributions to the defined benefit plan in future years:

Particulars	Rs. Crore	
	As at March 31, 2025	As at March 31, 2024
Within the next 12 months (next annual reporting period)	2.03	1.96
Between 1 and 2 years	2.90	1.09
Between 2 and 3 years	1.30	1.09
Between 3 and 4 years	1.32	1.07
Between 4 and 5 years	1.41	1.08
Between 5 and 6 years	0.89	1.05
Beyond 6 years	7.51	8.76
<b>Total expected payments</b>	<b>17.36</b>	<b>16.10</b>

### 38 Related party transactions

#### I) List of related parties

##### a) Promoter:

Mr. Krishna Shriram  
Mrs. Roula Shriram  
Enterprise Trust

##### b) Associate

Mawana Foods Private Limited (ceased to be an associate w.e.f December 31, 2024)

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)**
**38 Related party transactions (Contd.)**
**c) Key management personnel of Parent Company**

Mr. Dharam Pal Sharma –Whole Time Director (retired w.e.f. August 12, 2024)

Mr. Vikash – Chief Financial Officer (appointed w.e.f. May 30, 2023)

Mr. Ashok Kumar Shukla - Company Secretary

Mr. Rakesh Kumar Gangwar - Managing Director (Key Managerial Personnel – served as Executive Director – Operations until August 12, 2024 and appointed as Managing Director with effect from August 13, 2024)

**d) Directors**

Ms. Anuradha Dutt (appointed w.e.f. December 01, 2023)

Mrs. Manju Vira Gupta (ceased w.e.f. December 25, 2023)

Mr. Krishna Shriram

Mr. Satish Agarwal

Mr. Mukesh Chauhan

Mr. Arun Kumar Kaul

**e) Enterprises over which key management personnel have significant influence:**

Usha International Limited

**f) Enterprises over which the Independent Director have significant influence:**

S R K A & COMPANY

**II) Transactions with related parties**
**Rs. Crore**

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
<b>A. Promoter</b>		
<b>Dividend paid</b>		
Mr. Krishna Shriram	17.23	7.39
Mrs. Roula Shriram	#	#
Enterprise Trust	0.15	0.06
<b>B. Associate</b>		
<b>Mawana Foods Private Limited</b>		
Sale of finished goods	22.58	28.39
Interest received	0.04	0.03
Expenses recovered	0.03	-
Loss on remeasurement of previously held interest in associate	1.42	-
<b>C. Key Management personnel and their relatives</b>		
<b>Remuneration to key management personnel*:</b>		
Mr. Dharam Pal Sharma	0.17	0.32
Mr. Rakesh Kumar Gangwar (in capacity of Managing Director	1.27	1.12
Mr. Rakesh Kumar Gangwar (in capacity of Key Managerial Person - Executive Director Operations)	0.64	-
Mr. Vikash	1.17	0.91
Mr. Ashok Kumar Shukla	0.28	0.26
<b>D. Director Sitting Fee</b>		
Ms. Anuradha Dutt	0.04	0.01
Mrs. Manju Vira Gupta	-	0.02
Mr. Krishna Shriram	0.03	0.04
Mr. Satish Agarwal	0.04	0.04
Mr. Mukesh Chauhan	0.02	0.02
Mr. Arun Kumar Kaul	0.04	0.03

# represent amount less than Rs. 50,000/-

\*As the future liability for gratuity and leave encashment benefits is provided on an actuarial basis for the Parent Company as a whole, the amount pertaining to the Key Management Personnel is not ascertainable and, therefore, not included above.

# Mawana Sugars Limited

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

### 38 Related party transactions (Contd.)

Rs. Crore

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
<b>E. Dividend paid to Director</b> Mrs. Manju Vira Gupta	-	#
<b>F. Enterprises over which key management personnel have significant influence</b> Usha International Limited		
Expenses reimbursed	0.35	0.30
Management fees	0.07	-
Sale of goods	0.01	-
Miscellaneous purchases	#	#
Purchase of equity shares of Mawana Foods Private Limited	2.42	-
Rent paid**	0.57	0.44
Royalty paid	0.63	0.82
Acquisition of brand 'MAWANA'	5.75	-
<b>G. Enterprises over which the Directors have significant influence</b> S R K A & COMPANY		
Professional Charges	0.06	0.04

### Balance Outstanding as at year end

Rs. Crore

Particulars	As at March 31, 2025	As at March 31, 2024
<b>(a) Trade and other payables</b> Usha International Limited	0.13	0.28
S R K A & COMPANY	#	#
<b>(b) Trade receivables</b> Mawana Foods Private Limited	-	2.46
<b>(c) Interest receivables</b> Mawana Foods Private Limited	-	0.01
<b>(d) Lease liability payable</b> Usha International Limited	0.78	0.41

# represent amount less than Rs. 50,000/-

\*\* included under finance cost and depreciation as per Ind AS-116.

### Transaction with Key management personnel

Rs. Crore

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Short-term employee benefits	3.53	2.61
<b>Total compensation paid to key management personnel</b>	<b>3.53</b>	<b>2.61</b>

The amount disclosed in the table are the amounts recognised as expense during the reporting year related to key management personnel.

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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)**

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**39 Segment Information**

**A. Operating Segment**

As per Ind AS 108 identification of segment is based on the manner in which the entity's Chief Operating Decision Makers' (CODM) reviews the business components regularly to make decisions about allocating resources to segment and in assessing its performance.

The Operating segments of the Group are identified as Sugar, Power and Distillery as the Chief Operating Decision Maker reviews business performance of the Group on the basis of these segments.

**B. Geographical Segment**

The Group mainly caters to domestic markets. However, there is export/deemed export of Sugar which has been presented in geographical segment.

**C. Segment accounting policies:**

In addition to the significant accounting policies applicable to the business segments as set out in note 2 above, the accounting policies in relation to segment accounting are as under:

i) Segment revenue and expenses:

Segment revenue and expenses are directly attributable to the segments.

ii) Segment assets and liabilities:

Segment assets include all operating assets used by a segment and consist principally of operating cash, debtors, inventories and property, plant and equipments, net of allowances and provisions which are reported as direct offsets in the balance sheet. Segment liabilities include all operating liabilities and consist principally of creditors and accrued liabilities. While most of the assets/ liabilities can be directly attributed to individual segment, the carrying amount of certain assets/ liabilities pertaining to two or more segments are allocated to the segments on a reasonable basis.

iii) Inter segment revenues:

Inter segment revenues between operating segments are accounted for at market price. These transactions are eliminated in consolidation.

# Mawana Sugars Limited

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

### D. Information about business segments (Group)

Particulars	Sugar			Power			Distillery			Unallocated			Elimination			Total	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	(Rs. Crore)
<b>Segment Revenue</b>																	
External sales	1,252.51	1,112.72	17.40	18.34	173.21	219.88	-	-	(511.74)	-	(605.54)	-	1,443.12	-	1,350.94		
Inter segment revenue	297.92	341.03	209.29	256.31	4.53	8.20	-	-	-	-	-	-	-	-	-	-	
Other operating revenues	3.28	4.01	-	-	0.09	0.14	-	-	-	-	-	-	-	3.37	-	4.15	
<b>Revenue from operations</b>	<b>1,553.71</b>	<b>1,457.76</b>	<b>226.69</b>	<b>274.65</b>	<b>177.83</b>	<b>228.22</b>	<b>-</b>	<b>2.22</b>	<b>2.44</b>	<b>22.81</b>	<b>-</b>	<b>(511.74)</b>	<b>(605.54)</b>	<b>1,446.49</b>	<b>1,355.09</b>	<b>26.28</b>	
Other income (other than interest income)	6.54	1.25	-	-	-	-	-	-	-	-	-	(1.29)	-	-	7.69	-	
<b>Total income (other than interest income)</b>	<b>1,560.25</b>	<b>1,459.01</b>	<b>226.69</b>	<b>274.65</b>	<b>177.83</b>	<b>230.44</b>	<b>2.44</b>	<b>22.81</b>	<b>22.81</b>	<b>20.61</b>	<b>(513.03)</b>	<b>(605.54)</b>	<b>1,454.18</b>	<b>1,381.37</b>			
<b>Expenses</b>																	
Cost of materials consumed	1,100.43	1,222.82	165.88	198.72	126.85	177.56	-	-	(275.65)	-	(355.23)	-	1,117.51	-	1,243.87		
Purchase of stock-in-trade	11.27	12.05	(197.21)	0.29	(0.71)	(3.71)	(20.40)	-	(0.08)	(7.67)	-	29.05	-	11.27	12.05		
Changes in inventories of finished goods, stock-in-trade and work-in-progress	7.18	-	-	-	-	-	-	-	-	-	-	-	-	(3.91)	-	(189.35)	
Employee benefits expenses	62.22	55.63	10.32	10.24	6.32	5.87	9.26	8.99	-	-	-	-	-	88.12	80.73		
Depreciation and amortisation expense	15.13	14.70	9.57	7.83	8.08	11.92	0.78	0.90	10.87	(229.71)	(279.36)	-	-	33.56	35.35		
Other expenses	274.46	304.76	21.58	32.82	34.21	48.15	-	-	-	-	-	-	-	111.41	117.17		
<b>Total expenses</b>	<b>1,470.69</b>	<b>1,412.75</b>	<b>207.64</b>	<b>248.90</b>	<b>171.75</b>	<b>223.10</b>	<b>20.91</b>	<b>20.61</b>	<b>(513.03)</b>	<b>(605.54)</b>	<b>1,357.96</b>	<b>1,299.82</b>					
<b>Results</b>																	
Segment results	89.56	46.26	19.05	25.75	6.08	7.34	-	-	-	-	-	-	-	114.69	79.35		
Unallocated income/(expenses) (net of income/expenses)	-	-	-	-	-	-	(18.47)	-	2.20	-	-	-	-	(18.47)	2.20		
<b>Operating Profit / (Loss)</b>	<b>89.56</b>	<b>46.26</b>	<b>19.05</b>	<b>25.75</b>	<b>6.08</b>	<b>7.34</b>	<b>(18.47)</b>	<b>2.20</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>96.22</b>	<b>81.55</b>		
Less : Finance costs															29.56	29.70	
Add : Interest income														1.45	1.34		
Add : Share of profit/(loss) of associate														(0.03)	(0.15)		
<b>Profit before tax and exceptional items</b>	<b>89.56</b>	<b>46.26</b>	<b>19.05</b>	<b>25.75</b>	<b>6.08</b>	<b>7.34</b>	<b>(18.47)</b>	<b>2.20</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>68.08</b>	<b>53.04</b>		
Add : Exceptional items - Income (net)														61.28	-		
<b>Profit before tax</b>															<b>129.36</b>	<b>53.04</b>	
Tax expenses															19.94	15.39	
<b>Profit for the year</b>															<b>109.42</b>	<b>37.65</b>	
<b>Other Information</b>																	
<b>A. Assets</b>																	
Segment assets	877.68	886.45	99.33	105.31	77.22	80.43	-	41.75	106.39	-	-	-	-	1,054.23	1,072.19		
Unallocated assets	-	-	-	-	-	-	-	-	-	-	-	-	-	41.75	106.39		
<b>Total Assets</b>	<b>877.68</b>	<b>886.45</b>	<b>99.33</b>	<b>105.31</b>	<b>77.22</b>	<b>80.43</b>	<b>41.75</b>	<b>106.39</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,095.98</b>	<b>1,178.58</b>		
<b>B. Liabilities</b>																	
Segment liabilities	159.42	165.67	2.40	4.14	4.52	5.65	-	418.13	567.53	-	-	-	-	166.34	175.46		
Borrowings	-	-	-	-	-	-	-	-	19.58	26.35	-	-	-	418.13	567.53		
Unallocated liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	19.58	25.35		
<b>Total Liabilities</b>	<b>159.42</b>	<b>165.67</b>	<b>2.40</b>	<b>4.14</b>	<b>4.52</b>	<b>5.65</b>	<b>437.71</b>	<b>592.88</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>604.05</b>	<b>768.34</b>		
<b>C. Others</b>																	
Capital expenditure	19.63	21.92	0.76	2.19	0.76	1.70	0.88	0.62	-	-	-	-	-	22.03	26.43		
Depreciation and amortisation	15.13	14.70	9.57	7.83	8.08	11.92	0.78	0.90	-	-	-	-	-	33.56	35.35		

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)**
**39 Segment Information (Contd.)**
**Geographical information :**

(i) Revenue from external customers: The Group's revenue from external customers by location of operation are as under:

Particulars	Year	Rs. Crore		
		India	Outside India	Total
External revenue	2024-25	1,446.49	-	1,446.49
	2023-24	1,345.32	9.77	1,355.09

(ii) Non-current assets: The Group has common property, plant and equipment for manufacturing goods, hence, these are not separately identifiable.

**Information about major customer :**

No single external customer contributed 10% or more of the Group total revenue during the current year and previous year.

**40 A. Fair values**

Set out below, is a comparison by class of the carrying amounts and fair value of the Group's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values.

**Rs. Crore**

Particulars	Carrying Value		Fair Value	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
<b>Financial assets</b>				
<b>Fair Valuation at Amortized cost :</b>				
Security deposits paid	0.30	0.50	0.30	0.50
Dues from employees	0.17	0.07	0.17	0.07
Loans and advances to others	2.86	2.65	2.86	2.65
Interest subvention receivable	-	0.06	-	0.06
Interest receivables other	0.38	0.54	0.38	0.54
<b>Total</b>	<b>3.71</b>	<b>3.82</b>	<b>3.71</b>	<b>3.82</b>
<b>Financial liabilities</b>				
<b>Fair Valuation at Amortized cost :</b>				
Borrowings	418.13	567.53	418.13	567.53
Lease liabilities	1.02	0.59	1.02	0.59
<b>Total</b>	<b>419.15</b>	<b>568.12</b>	<b>419.15</b>	<b>568.12</b>

The management assessed that cash and cash equivalents, other bank balances, unbilled revenue, fixed deposits, trade receivables, trade payables, loans and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

**40 B. Fair Value Hierarchy**

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is insignificant to the fair value measurements as a whole.

Level 1 : Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2 : Valuation techniques for which the lowest level inputs that has a significant effect on the fair value measurement are observable, either directly or indirectly.

Level 3 : Valuation techniques for which the lowest level input which has a significant effect on fair value measurement is not based on observable market data.

# Mawana Sugars Limited

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

### 40 B. Fair Value Hierarchy (Contd.)

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities.

#### Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2025: Rs. Crore

Particulars	Date of valuation	Fair value measurement using			
		Total	Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
		(Level 1)	(Level 2)	(Level 3)	
<b>I. Assets measured at fair value (Note 40A):</b>					
<b>Fair Valuation at Amortized cost :</b>					
Security deposits paid	March 31, 2025	0.30	-	-	0.30
Dues from employees	March 31, 2025	0.17	-	-	0.17
Loans and advances to others	March 31, 2025	2.86	-	-	2.86
Interest receivables other	March 31, 2025	0.38	-	-	0.38
		<b>3.71</b>	-	-	<b>3.71</b>
<b>II. Liabilities for which fair value is disclosed (Note 40A):</b>					
<b>Fair Valuation at Amortized cost :</b>					
Borrowings	March 31, 2025	418.13	-	-	418.13
Lease liabilities	March 31, 2025	1.02	-	-	1.02

There have been no transfers among Level 1, Level 2 and Level 3 during the year ended March 31, 2025

#### Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2024: Rs. Crore

Particulars	Date of valuation	Fair value measurement using			
		Total	Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
		(Level 1)	(Level 2)	(Level 3)	
<b>I. Assets measured at fair value (Note 40A):</b>					
<b>Fair Valuation at Amortized cost :</b>					
Security deposit paid	March 31, 2024	0.50	-	-	0.50
Dues from employees	March 31, 2024	0.07	-	-	0.07
Loans and advances to others	March 31, 2024	2.65	-	-	2.65
Interest receivables other	March 31, 2024	0.54	-	-	0.54
Interest subvention receivable	March 31, 2024	0.06	-	-	0.06
		<b>3.82</b>	-	-	<b>3.82</b>
<b>II. Liabilities for which fair value is disclosed (Note 40A):</b>					
<b>Fair Valuation at Amortized cost :</b>					
Borrowings	March 31, 2024	567.53	-	-	567.53
Lease liabilities	March 31, 2024	0.59	-	-	0.59

There were no transfers among Level 1, Level 2 and Level 3 during the year ended March 31, 2024.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

### 40 B. Fair Value Hierarchy (Contd.)

#### Valuation technique used to determine fair value

Type	Valuation technique	Significant observable input
Financial liabilities (Borrowings)	Discounted Cash Flow method: The valuation model considers the present value of expected payment, discounted using a risk adjusted discount rate.	Not applicable
Subsidies recoverable (Other financial assets)	Discounted Cash Flow method: The valuation model considers the present value of expected receipt, discounted using a risk adjusted discount rate.	Not applicable

### 41. Financial risk management objectives and policies

The Group's principal financial liabilities comprise of borrowings, trade payables, other payables, security deposits received, capital creditors and employee related payables. The main purpose of these financial liabilities is to finance the Group's operations and to provide guarantees to support its operations. The Group's principal financial assets include trade and other receivables, and cash and cash equivalent that derive directly from its operations.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Group's senior management is responsible to ensure that Group's financial risk activities which are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

#### Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of change in market price. Market risk comprise of interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk.

#### Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. However, as the Group does not have any outstanding floating rate interest bearing long term and short term debts at the balance sheet date. Therefore, a change in interest rates on the reporting date would neither affect profit or loss nor affect equity.

#### Fair value sensitivity analysis for fixed rate instruments

The Group does not have any fixed rate financial assets and liabilities at fair value through profit and loss. Therefore, a change in interest rates at the reporting date would neither affect profit or loss nor affect equity.

#### Foreign currency risk

The Group is exposed to foreign exchange risk arising from foreign currency transactions primarily with respect to USD. Foreign exchange risk arises from future commercial transactions and recognised asset and liabilities denominated in a currency that is not the Group's functional currency. The Group imports certain materials which exposes it to foreign currency risk.

#### Commodity price risk

Sugar industry being cyclical in nature, realisations get adversely affected during downturn. Higher cane price or higher production than the demand ultimately affect profitability. The Group has mitigated this risk to some extent by well integrated business model by diversifying into co-generation and distillation, thereby utilizing the by-products. The Group focuses on being amongst the lowest cost producers in these businesses.

#### Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables, security deposits and others) and from its financing activities, including deposits with banks. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount.

##### (i) Trade receivables

Customer credit risk is managed as per the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored.

### 41. Financial risk management objectives and policies (Contd.)

An impairment analysis is performed at each reporting date on an individual basis for major customers. The calculation is based on exchange losses historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed below. The Group does not hold collateral as security except for security deposits from customers. The Group evaluates the concentration of risk with respect to trade receivables as low on the basis of past default rates of its customers.

Based on the historical data, loss on collection of receivable is not material hence no additional provision considered.

#### Movement in provisions of doubtful debts, advances and diminution in value of investment

Particulars	Trade Receivables	Loans/other assets	Investments	Rs. Crore
Provision as at April 01, 2023	0.12	16.42	10.89	
Provision made during the year 2023-24	-	0.18	-	
Provision written back during the year 2023-24	(0.12)	(15.37)	-	
<b>Provision as at March 31, 2024</b>	-	<b>1.23</b>	<b>10.89</b>	
Provision made during the year 2024-25	-	-	-	
Provision added on acquisition of subsidiary	1.05	-	-	
Reversal of impairment on conversion of associate to subsidiary	-	-	(10.89)	
<b>Provision as at March 31, 2025</b>	<b>1.05</b>	<b>1.23</b>		

#### (ii) Financial instruments and cash deposits

Credit risk from balances with banks is managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Group's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Group's finance committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

#### Liquidity risk

The Group manages its liquidity for working capital requirement to ensure smooth operation of the business.

The Group also ensures the long term funds requirement like capex or otherwise are met through adequate availability of long term capital (debt/equity).

As at March 31, 2025	Less than 1 year	1-3 years	>3 years	Total	Carrying value	Rs. Crore
Borrowings	418.13	-	-	418.13	418.13	
Lease liabilities	0.58	0.44	-	1.02	1.02	
Trade payables						
- Total outstanding dues to micro and small enterprises	2.71	-	-	2.71	2.71	
- Total outstanding dues of creditors other than micro and small enterprises	132.31	-	-	132.31	132.31	
Interest accrued but not due on borrowings	0.04	-	-	0.04	0.04	
Employees related payables	7.63	-	-	7.63	7.63	
Trade deposits received	4.55	-	-	4.55	4.55	
Payable towards capital goods	0.80	-	-	0.80	0.80	
Unpaid dividend	0.96	-	-	0.96	0.96	
Interest payable	0.79	-	-	0.79	0.79	
<b>Total</b>	<b>568.50</b>	<b>0.44</b>		<b>568.94</b>	<b>568.94</b>	

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)**
**41. Financial risk management objectives and policies (Contd.)**

As at March 31, 2024		Rs. Crore				
Particulars		Less than 1 year	1-3 years	>3 years	Total	Carrying value
Borrowings	567.60	-	-	-	567.60	567.53
Lease Liabilities	0.52	0.07	-	-	0.59	0.59
Trade payables						
- Total outstanding dues to micro and small enterprises	6.54	-	-	-	6.54	6.54
- Total outstanding dues of creditors other than micro and small enterprises	145.14	-	-	-	145.14	145.14
Employees related payables	4.15	-	-	-	4.15	4.15
Trade deposits received	3.63	-	-	-	3.63	3.63
Payable towards capital goods	0.88	-	-	-	0.88	0.88
Unpaid dividend	0.54	-	-	-	0.54	0.54
Interest payable	4.70	-	-	-	4.70	4.70
Other payables	0.01	-	-	-	0.01	0.01
<b>Total</b>	<b>733.71</b>	<b>0.07</b>	<b>-</b>	<b>733.78</b>	<b>733.71</b>	

**42 Capital management**

For the purpose of the Group's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Group. The primary objective of the Group's capital management is to maximise the shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents.

Particulars	Rs. Crore	
	As at March 31, 2025	As at March 31, 2024
Borrowings (Refer note 14)	418.13	567.53
Lease liabilities (Refer note 15)	1.02	0.59
Trade payables (Refer note 17)	135.02	151.68
Cash and cash equivalents (Refer note 11)	(9.23)	(10.09)
<b>Net debts</b>	<b>544.94</b>	<b>709.71</b>
<b>Total equity</b>	<b>491.92</b>	<b>410.24</b>
<b>Capital plus net debt</b>	<b>1,036.86</b>	<b>1,119.95</b>
<b>Gearing ratio (%)</b>	<b>52.56%</b>	<b>63.37%</b>

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2025 and March 31, 2024.

**43** Pursuant to judgment dated May 10, 1996 passed by the Hon'ble Supreme Court of India in a public interest litigation, the Parent Company had surrendered 46.58 acres of land to the Delhi Development Authority ('DDA') for development of green belt and open spaces as directed by the Court.

DDA leased out some portion of the surrendered land Delhi Metro Rail Corporation ('DMRC') for a commercial consideration. The Parent Company challenged the leasing of surrendered land to DMRC before the Hon'ble Supreme Court. Hon'ble Supreme Court vide its Order dated March 25, 2010 directed that DDA, cannot use the surrendered land for any purpose other than the specified use and further directed that any consideration received for a commercial use of the surrendered land would entitle the Parent Company to get fifty percent (50%) of such consideration.

In terms of the above directions of the Hon'ble Supreme Court, the Parent Company had received in earlier years a sum of Rs. 15.92 crore. Since there was delay in making payments, the Parent Company has demanded interest on delayed payments by filing suit in Delhi High Court which is pending.

# Mawana Sugars Limited

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

**44** The Parent Company had executed a Business Transfer Agreement on November 18, 2016 with Indian Potash Limited (IPL) and sold off its Agreed Assets and Liabilities excluding contingent liabilities of Titawi Sugar Complex (unit) as a going concern on an 'AS IS WHERE IS WHAT IS' basis by way of a slump sale. Such sale is on certain terms and conditions, part of which have been fulfilled and the rest are under process. The sale is governed by a Business Transfer Agreement (BTA) which stipulates completion of these activities within a certain time frame.

A sum of Rs. 2.10 crore (March 31, 2024 : Rs. 2.10 crore) is recoverable from IPL, out of which Rs. 2.00 crore (March 31, 2024 Rs 2.00 crore) pertains to pending transfer of certain portion of freehold land in the name of IPL and balance of Rs. 0.10 crore (March 31, 2024 Rs. 0.10 crore) pertains to other matters. The management expects the same to be recovered in full post completion of the specified conditions.

### 45 Dues to Micro and Small Enterprises

Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006. On the basis of supplier information available with the Group who have registered under the Micro, Small and Medium Enterprise Development Act, 2006 (MSMED Act, 2006), the following are the details.

Particulars	Rs. Crore	
	As at March 31, 2025	As at March 31, 2024
The principal amount and the interest due thereon remaining unpaid to any supplier:		
- Principal amount*	2.76	6.57
- Interest thereon	0.01	0.01
the amount of interest paid by the buyer in terms of section 16, alongwith the amounts of the payment made to the supplier beyond the appointed day.	-	-
the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	-	-
the amount of interest accrued and remaining unpaid	0.01	0.01
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small investor	0.01	0.01

\* including Rs 0.05 crore (March 31, 2024 : Rs. 0.03 crore) on account of capital goods supplier.

### 46 Statutory Group Informations

Name of the entity in Group	Net assets i.e total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	% of consolidated net assets	Amount in Rs. Crore	% of consolidated profit or loss	Amount in Rs. Crore	% of consolidated other comprehensive income	Amount in Rs. Crore	% of consolidated total comprehensive income	Amount in Rs. Crore
<b>Parent</b>								
Mawana Sugars Limited								
<b>As at March 31, 2025</b>	<b>100.03%</b>	<b>492.06</b>	<b>65.26%</b>	<b>71.40</b>	<b>101.94%</b>	<b>(0.35)</b>	<b>65.15%</b>	<b>71.05</b>
As at March 31, 2024	109.30%	448.39	113.31%	42.59	100.00%	0.01	113.12%	42.60
<b>Subsidiaries</b>								
1) Siel Industrial Estate Limited (Refer note 53)								
<b>As at March 31, 2025</b>	<b>0.00%</b>	<b>-</b>	<b>(1.55%)</b>	<b>(1.70)</b>	<b>0.00%</b>	<b>-</b>	<b>(1.56%)</b>	<b>(1.70)</b>
As at March 31, 2024	7.07%	29.02	(12.14%)	(4.57)	0.00%	-	(12.14%)	(4.57)
2) Mawana Foods Private Limited (Refer note 54)								
<b>As at March 31, 2025</b>	<b>0.17%</b>	<b>0.84</b>	<b>(0.01%)</b>	<b>(0.01)</b>	<b>(1.94%)</b>	<b>0.01</b>	<b>(0.01%)</b>	<b>(0.01)</b>
As at March 31, 2024	0.00%	-	0.00%	-	0.00%	-	0.00%	-

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)**
**46 Statutory Group Informations (Contd.)**

Name of the entity in Group	Net assets i.e total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	% of consolidated net assets	Amount in Rs. Crore	% of consolidated profit or loss	Amount in Rs. Crore	% of consolidated other comprehensive income	Amount in Rs. Crore	% of consolidated total comprehensive income	Amount in Rs. Crore
3) Siel Infrastructure & Estate Developers Private Limited (Refer note 53)								
<b>As at March 31, 2025</b>	<b>0.00%</b>	<b>-</b>	<b>0.00%</b>	<b>-</b>	<b>0.00%</b>	<b>-</b>	<b>0.00%</b>	<b>-</b>
As at March 31, 2024	5.77%	23.69	(0.04%)	(0.02)	0.00%	-	(0.04%)	(0.02)
<b>Associates</b>								
Mawana Foods Private Limited (Refer note 54)								
<b>As at March 31, 2025 *</b>	<b>0.00%</b>	<b>-</b>	<b>(0.03%)</b>	<b>(0.03)</b>	<b>0.00%</b>	<b>-</b>	<b>(0.03%)</b>	<b>(0.03)</b>
As at March 31, 2024	(3.00%)	(12.32)	(0.41%)	(0.15)	0.00%	#	(0.41%)	(0.15)
<b>Eliminations and adjustments due to consolidation</b>								
<b>As at March 31, 2025 *</b>	<b>(0.20%)</b>	<b>(0.96)</b>	<b>36.33%</b>	<b>39.75</b>	<b>0.00%</b>	<b>-</b>	<b>36.44%</b>	<b>39.74</b>
As at March 31, 2024	(19.14%)	(78.53)	(0.53%)	(0.20)	0.00%	-	(0.53%)	(0.20)
<b>Total</b>								
<b>As at March 31, 2025</b>	<b>100.00%</b>	<b>491.93</b>	<b>100.00%</b>	<b>109.42</b>	<b>100.00%</b>	<b>(0.35)</b>	<b>100.00%</b>	<b>109.07</b>
As at March 31, 2024	100.00%	410.24	100.00%	37.65	100.00%	0.01	100.00%	37.66

# represent amount less than Rs. 50,000/-

\* Eliminations and adjustments in share in profit or loss and total comprehensive income of Rs. 39.68 crore mainly represents gain on sale of subsidiaries recognised in consolidated financial statement (Refer note 53).

**47** (a) During the previous year, the Parent Company had sold non-agricultural land admeasuring 40.493 acres situated at Village Bajhera Kalan, Tehsil-Hapur, Uttar Pradesh for a total consideration of Rs. 28.13 crore and accounted for a gain of Rs. 23.38 crore (net of commission) which was included under the head "other income".

(b) Pursuant to a favorable order from the Hon'ble National Company Law Appellate Tribunal (NCLAT) which set aside the order passed by CCI for alleged contravention of provisions of The Competition Act, 2002 in respect of joint tender floated by Oil Marketing Companies (OMCs) for supply of Ethanol, the Parent Company had written back provision amounting to Rs. 2.45 crore during the previous year and the same was included under "other income".

(c) Pursuant to a favorable order received from Hon'ble High Court of Delhi against an ex-vendor in 2015 and its execution petition filed in 2021, the Parent Company has received an Arbitration Award of Rs. 2.20 crore during the year and included the same under "other income".

**48** In view of Hon'ble Allahabad High Court order dated December 21, 2017 for stay on the retrospective operation of orders of UP State Government on reduction in rate of society commission pertaining to earlier years, the Parent Company had provided differential amount of Rs. 28.55 crore in the books of accounts during earlier years. UP Sugar Mill Association had approached Hon'ble Supreme Court of India for stay of operation of the said High court order during an earlier year. The matter is pending before Hon'ble Supreme Court.

**49** The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 28, 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period when the Code becomes effective.

**50** Recovery Certificates (RC) were issued in the past by the Cane Commissioner for payment of Cane Dues, Society Commission, interest on delayed cane payments etc. for previous crushing seasons together with collection charges as per Rules. The Parent Company had paid all the cane dues to the farmers and challenged the levy of 'collection charges' before the Hon'ble High Court of Allahabad by filing writ petitions for some of the years. Hon'ble High Court of Allahabad allowed the writ petitions for these years and quashed the demand of collection charges by the State Government. In view of the management, the legal position settled by High Court in this matter has attained finality and the State Government has not challenged it before any superior court.

However, the demand for collection charges for the years 2012-13 to 2015-16 amounting to Rs. 141.33 crore (Previous year Rs. 141.33 crore) are still pending. These demands are also liable to be quashed on the same ground as in the earlier years and Parent Company has initiated necessary process in this regard with the relevant authorities and thus, potential liability is considered to be remote.

State Government's waiver of interest on delayed cane payments by sugar mills has been involved in legal proceedings before Hon'ble High Court of Allahabad for sugar season 2012-13 to 2014-15 and a formal demand for payment of any interest for the said sugar seasons aforementioned, has not been raised. However, as good corporate governance and as an abundant caution, the Parent Company has disclosed a contingent liability in respect of interest on delayed cane payment of Rs. 479.86 crore (March 31, 2024 : Rs. 477.79 crore) upto March 31, 2025 under Note 34(b)(ii), (including a liability of Rs. 144.80 crore (March 31, 2024 : Rs. 144.80 crore) based on demand notice from Cane Commissioner of UP for the sugar season 2012-13 to 2014-15).

Consequent upon the directions of the Hon'ble High Court to the Cane Commissioner to decide afresh the matter on the delayed cane payments, Parent Company and the sugar industry has represented to the Cane Commissioner for waiver, which is yet to be decided by Cane Commissioner. The Parent Company is hopeful to get the waiver from State Government. Based on the legal review of the facts of this case, possibility of any further liability (including interest thereon) crystalizing is remote and hence, no provision is considered necessary.

- 51 The Parent Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from a bank during the year on the basis of security of current assets of the Parent Company. The Parent Company has filed the quarterly returns/statements with such bank during the year which are in agreement with the books of accounts of the Parent Company.
- 52 The Parent Company sells sugar as per Sugar Sales Mechanism issued by Ministry of Consumer Affairs, Food and Public Distribution under which monthly sales quota is allocated to sugar mills in the country. As on March 31, 2025, the Group is carrying inventory of sugar of Rs. 720.23 crore (comprising finished goods Rs. 706.31 crore and work in progress Rs. 13.92 crore) (March 31, 2024 Rs. 743.45 crore (comprising finished goods Rs. 731.79 crore and work in progress Rs. 11.66 crore)) with valuation at lower of cost and net realizable value.

Future net realizable value shall be dependent upon the factors on minimum support price, monthly sale quota and sugar production in the Country. The Parent Company expects to realise the value at least to the extent stated in the accounts.

- 53 A committee of independent directors of the Parent Company in their meeting dated July 13, 2024 and thereafter on August 31, 2024 resolved to sell the equity and preference shares of its subsidiary companies namely SIEL Industrial Estate Limited ('Siel IE') and SIEL Infrastructure and Estate Developers Private Limited ('Siel IED'), along with all their respective assets and liabilities, on "AS IS WHERE IS" basis subject to the completion of legal due diligence.

In relation to the above, the Parent Company entered into Memorandum of Understanding (MOU) on September 07, 2024 with M/s Singla Builders and Promotors Limited ('SBP') for sale of Equity and Preference Shares along with all their respective assets and liabilities, on "AS IS WHERE IS" for a total consideration of Rs 117.00 crore, including repayment of loans aggregating to Rs. 9.50 crore given by the Parent Company to Siel IE. The Share Purchase Agreement was signed on October 11, 2024 and consideration was received by the Parent Company during the year. The Group derecognised its investments in the said subsidiaries and recorded a net gain of Rs. 62.70 crore which has been disclosed as an exceptional item.

Further, during the tax financial year ended March 31, 2013, the Parent Company had sold equity shares of Siel-IE to Siel-IED for a consideration of Rs. 135.02 crore resulting in profit of Rs. 121.54 crore, However, this profit was not recorded during the same year in view statutory auditors' qualification. Based on opinions from tax experts and legal precedents, Parent Company has considered the cost of acquisition of shares of Siel IED at Rs. 135.02 crore for the purpose of determination of tax liability relating to the above transaction and is determined at Rs. 7.17 crore.

### 54 Business Combination

#### Acquisition of Mawana Foods Private Limited

As at March 31, 2024, the Parent Company held 67,59,801 (33.74%) equity shares in Mawana Foods Private Limited ('MFPL') and was associate. During the current year, the Parent Company has purchased 1,32,77,049 (including four shares held through Nominees) fully paid-up equity shares of Rs. 10/- each i.e. remaining 66.26% of Mawana Foods Private Limited (MFPL) held by Usha International Limited (UIL) for a total consideration of Rs. 2.42 crore. The Share Purchase and the business acquisition has been completed on December 31, 2024. Accordingly, the Parent Company has obtained control over MFPL w.e.f. December 31, 2024 ("acquisition date") in terms of IndAS 103 - Business Combination.

Pursuant to obtaining control, the Parent Company has remeasured its previously held equity shares in MFPL i.e. 33.74% at its acquisition date fair value and recognised an impairment allowance to the extent of excess carrying value over its value in use by and loss on remeasurement of previously held interest amount to Rs. 1.42 crore in the consolidated financial statement and disclosed the same as Exceptional items during the year ended March 31, 2025.

Further, the Parent Company has accounted the fair value of the assets acquired and liabilities as at acquisition date as per the requirement of Ind AS 103.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)**

The consolidated financial statements for the year ended March 31, 2025 includes the financial statement of MFPL from the acquisition date.

**(a) Summary of assets acquired at fair value basis :** Rs. Crore

Particulars	As at Acquisition Date
<b>ASSETS</b>	
<b>Non-current assets</b>	
Property, plant and equipment	0.05
Right of use assets	0.18
Income tax assets	0.01
Other non- current assets	0.15
<b>Total Non-current assets</b>	<b>0.39</b>
<b>Current assets</b>	
Inventories	0.84
Financial assets	
- Trade receivables	1.16
- Cash and cash equivalents	3.15
Other current assets	0.50
<b>Total current assets</b>	<b>5.65</b>
<b>Total Assets (i)</b>	<b>6.04</b>
<b>LIABILITIES</b>	
Lease liabilities	0.06
Provisions	0.34
<b>Total non-current liabilities</b>	<b>0.40</b>
<b>Current liabilities</b>	
Financial liabilities	
- Lease liabilities	0.14
- Trade payables	
- Total outstanding dues to micro and small enterprises	0.05
- Total outstanding dues of creditors other than micro and small enterprises	3.84
- Other financial liabilities	0.46
Provisions	0.06
Other current liabilities	0.14
<b>Total current liabilities</b>	<b>4.69</b>
<b>Total Liabilities (ii)</b>	<b>5.09</b>
<b>Total identifiable assets at fair value (i-ii)</b>	<b>0.95</b>

**(b) Goodwill arising on acquisition** Rs. Crore

Particulars	As at Acquisition Date
(i) Purchase consideration	2.42
(ii) Add: Fair value of existing investment on the date of acquisition (67,59,801 equity shares @ Rs.1.82 per share)	1.23
(iii) Total (i+ii)	<b>3.65</b>
<b>Net Assets Acquired :</b>	
(iv) Fair value of assets acquired	6.04
(v) Fair value of liabilities	(5.09)
(vi) Net Assets Acquired (iv+v)	<b>0.95</b>
<b>Goodwill (iii-vi)</b>	<b>2.70</b>

# Mawana Sugars Limited

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

During the current year, MFPL has incurred loss of Rs. 0.11 crore and has accumulated losses of Rs. 41.64 crore as at March 31, 2025. Further, MFPL's current assets exceed its current liabilities by Rs. 0.81 crore as at March 31, 2025.

The Parent Company has recorded a goodwill of Rs. 2.70 crore being the difference between the fair value of net assets acquired and consideration paid. The fair value of net assets acquired is determined by the Parent Company based on a valuation report obtained from an independent valuation expert.

In accordance with Ind AS 38, goodwill is not amortised but tested for impairment. Impairment testing for goodwill has been carried out considering their recoverable amounts which, inter-alia, includes estimation of their value-in-use based on management projections.

Based on the above assessment including fair valuation and considering expected growth in the business of MFPL and corrective action taken by management to improve liquidity and profitability, the management is confident of MFPL's ability to generate sufficient cash flow from operations in the future.

Accordingly, no impairment has been recognised during the year. Further, the Parent Company has also performed sensitivity analysis around the base assumptions considered at the time of acquisition and has concluded that there are no reasonably possible changes to key assumptions that would cause the carrying amount of the aforesaid assets to exceed their recoverable values.

**(c) Gain/(loss) on remeasurement of previously held interest i.e. 33.74% in MFPL** Rs. Crore

Particulars	As at Acquisition Date
Gross investment as at March 31, 2024	15.00
Less : Impairment allowance on investment in associate accounted till March 31, 2024	12.32
Share of loss in associate for the period April 01, 2024 to December 30, 2024	(0.03)
<b>Net carrying value as at December 30, 2024 i.e. date of derecognition of associates (i)</b>	<b>2.65</b>
Fair value of previously held interest (67,59,801 shares @ Rs. 1.82 per share) (ii)	1.23
<b>Loss on remeasurement of previously held interest i.e. 33.74% in MFPL (i-ii)</b>	<b>(1.42)</b>

**(d) Impact of acquisition on the date of financial statements**

Since the acquisition date, revenue of Rs. 9.66 crore and loss of Rs. 0.01 crore has been included in the consolidated statement of profit and loss.

Had the business combination occurred at the beginning of the year, the revenue and loss at the consolidated level would have been increased by Rs. 26.67 crore and Rs. 0.09 crore respectively for the year ended March 31, 2025.

**55** Till December 30, 2024, the Group had 33.74% interest in Mawana Foods Private Limited (MFPL), an associate which is an established player in retail business of sugar and soap after that the Parent Company has purchased remaining 66.26% interest and obtained control over MFPL. Till December 30, 2024, the Group's interest in MFPL is accounted for using the equity method in the consolidated financial statements. Summarised financial information of the erstwhile Associate till December 30, 2024, based on its Ind AS unaudited management certified financial statements, and reconciliation with the carrying amount of the investment in consolidated financial statements are set out below:

Particulars	As at March 31, 2025	As at March 31, 2024
Current assets	-	4.94
Non - Current assets	-	0.33
Current Liabilities	-	4.02
Non - Current Liabilities	-	0.42
Total equity	-	0.83
<b>Proportion of the Group's ownership</b>	<b>0.00%</b>	<b>33.74%</b>
Proportionate Investment	-	0.28
Add : Goodwill on acquisition of associate	-	13.30
Less : Impairment allowance on investment in associate	-	(10.90)
<b>Carrying amount of Investment</b>	<b>-</b>	<b>2.68</b>

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)**
**Summarised statement of profit and loss :**

Particulars	Rs. Crore	
	Period ended December 30, 2024	Year ended March 31, 2024
<b>Revenue</b>		
Revenue from operations	26.79	34.03
Other income	0.13	0.35
<b>Total Revenue (I)</b>	<b>26.92</b>	<b>34.38</b>
<b>Expenses:</b>		
Purchase of traded goods	22.61	28.93
Change in inventory of traded goods	(0.13)	(0.22)
Employee benefits expenses	2.13	2.98
Finance costs	0.06	0.07
Depreciation and amortisation expenses	0.11	0.13
Other expenses	2.23	2.96
<b>Total Expenses (II)</b>	<b>27.01</b>	<b>34.85</b>
<b>(Loss) Before Tax and exceptional items (III) (I-II)</b>	<b>(0.09)</b>	<b>(0.47)</b>
<b>Exceptional Items (net) (IV)</b>	<b>-</b>	<b>-</b>
<b>(Loss) Before Tax (III-IV)</b>	<b>(0.09)</b>	<b>(0.47)</b>
<b>Income Tax</b>		
Current Tax -	-	
Deferred Tax -	-	
<b>(Loss) for the period</b>	<b>(0.09)</b>	<b>(0.47)</b>
<b>Other Comprehensive Income</b>		
Item that will not be reclassified to statement of profit & loss	-	#
<b>Total Other Comprehensive (expenses)</b>	<b>(0.09)</b>	<b>(0.47)</b>
<b>Proportion of the Group's ownership</b>	<b>33.74%</b>	<b>33.74%</b>
<b>Proportionate (Loss)</b>	<b>(0.03)</b>	<b>(0.15)</b>

# represent amount less than Rs. 50,000/-

**56 Other Statutory Information**

- (i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property under the Benami Transaction (Prohibition) Act, 1988 & rules made thereunder.
- (ii) The Group does not have any transaction with struck off companies under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956.
- (iii) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period,
- (iv) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (vi) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

# Mawana Sugars Limited

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## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

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(vii) The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)

(viii) The Group has not been declared a wilful defaulter by any bank or financial institution or other lender (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.

57 On February 07, 2025, the Parent Company received a letter for inspection under Section 206(5) of the Companies Act, 2013 from the Ministry of Corporate Affairs (MCA) seeking certain information. The Parent Company has duly submitted all the requisite information under its letter dated February 17, 2025 and MCA has not reverted to the Parent Company after the receipt of the requisite information. Based on expert legal inputs and considering that the information sought in present proceedings are essentially the same as in previous inspection in financial year 2021-22 where no adverse findings report was issued by MCA, the Parent Company is confident that no adverse impact is likely to arise in this regard.

58 Based on a legal assessment, the Parent Company has determined that the Parent Company is not required to spend any amount during the current year pursuant to its Corporate Social Responsibility Policy as required by the Section 135(5) of the Companies Act, 2013 since it does not have net profits during the last three preceding years owing brought forward excess of expenditure over income as referred to in Explanation (I) to Section 198 of the Companies Act, 2013.

59 The Parent Company has migrated to SAP Rise from SAP ECC 6.0 during the year. The accounting software used for maintaining its books of account has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that audit trail feature is not enabled for certain changes that can be made using certain privileged/ administrative access rights. Further, audit trail feature was not enabled at database level for the SAP ECC 6.0 software for part of the year. Further, there are no instance of audit trail feature being tampered with in respect of accounting software except in regards to privileged/administrative access rights / database level in SAP ECC 6.0 software. Additionally, the audit trail of prior year has been preserved by the Parent Company as per the statutory requirements for record retention to the extent it was enabled and recorded in the prior year. Erstwhile subsidiaries (till October 11, 2024) namely SIEL Industrial Estate Limited and SIEL Infrastructure and Estate Developers Private Limited has used accounting software with an audit trail (edit log) feature was operational throughout the period for all relevant transactions recorded in the software. Further, Mawana Foods Private Limited, the subsidiary (associate till December 30, 2024) also used accounting software with an audit trail (edit log) feature that was operational throughout the year for all relevant transactions except that the audit trail feature was not enabled at the database level to capture direct data changes in the software used for maintaining the accounting records.

As per our report of even date attached  
For **S.R.Batlboi & Co. LLP**  
Chartered Accountants  
ICAI Firm Registration No.: 301003E/E300005

For and on behalf of the Board of Directors  
**of Mawana Sugars Limited**

per **AMIT GUPTA**  
Partner  
Membership No. : 501396

**VIKASH**  
Chief Financial Officer  
**Place: Gurugram**

**MUKESH CHAUHAN**  
Director  
(DIN: 09387262)  
**Place: Gurugram**

**Place: Gurugram**  
**Date: May 24, 2025**

**ASHOK KUMAR SHUKLA**  
Company Secretary  
(Membership No. ACS-29673)  
**Place: Gurugram**

**RAKESH KUMAR GANGWAR**  
Managing Director  
(DIN: 09485856)  
**Place: Gurugram**



## **MAWANA SUGARS LIMITED**

Registered Office: 5th Floor, Kirti Mahal, 19, Rajendra Place, New Delhi-110125

Tel.: 91-11-25739103, Fax: 91-11-25743659. Email: [corporate@mawanasugars.com](mailto:corporate@mawanasugars.com), Website: [www.mawanasugars.com](http://www.mawanasugars.com)

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

**Review Report to  
The Board of Directors  
Mawana Sugars Limited**

1. We have reviewed the accompanying statement of unaudited standalone financial results of Mawana Sugars Limited (the "Company") for the quarter ended September 30, 2025 and year to date from April 01, 2025 to September 30, 2025 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. The Company's Management is responsible for the preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The Statement has been approved by the Company's Board of Directors. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

**For S.R. BATLIBOI & Co. LLP**  
Chartered Accountants  
**ICAI Firm registration number: 301003E/E300005**

per Amit Gupta

Partner

Membership No.: 501396

UDIN: 25501396BM0WLY7589

Place: Gurugram

Date: November 08, 2025



**Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended****Review Report to  
The Board of Directors  
Mawana Sugars Limited**

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of Mawana Sugars Limited (the "Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), for the quarter ended September 30, 2025 and year to date from April 01, 2025 to September 30, 2025 (the "statement") attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. The Holding Company's Management is responsible for the preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The Statement has been approved by the Holding Company's Board of Directors. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the Master Circular issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of the following entity:

Name of Subsidiaries / Associate	Relationship
Mawana Foods Private Limited	Subsidiary

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review report of other auditor referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. The accompanying statement includes the unaudited interim financial results and other unaudited financial information, in respect of a subsidiary, whose unaudited interim financial results include total assets of Rs. 3.25 crore as at September 30, 2025, total revenues of Rs 10.74 crore and Rs. 20.94 crore, total net profit after tax of Rs. 0.23 crore and Rs. 0.35 crore and total comprehensive income of Rs. 0.23 crore and Rs. 0.35 crore, for the quarter ended September 30, 2025 and the period ended on that date respectively, and net cash outflows of Rs. 2.64 crore for the period from April 01, 2025 to September 30, 2025, as considered in the Statement which have been reviewed by its independent auditor.



**S.R. BATLIBOI & CO. LLP**

Chartered Accountants

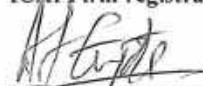
The independent auditor's report on interim financial results of the entity has been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures in respect of the subsidiary is based solely on the report of such auditor and procedures performed by us as stated in paragraph 3 above.

Our conclusion on the Statement in respect of matter stated above is not modified with respect to our reliance on the work done and the report of the other auditor.

**For S.R. Batliboi & Co. LLP**

Chartered Accountants

**ICAI Firm registration number: 301003E/E300005**



per Amit Gupta

Partner

Membership No.: 501396

UDIN: 25501396BM0WLZ3714

Place: Gurugram

Date: November 08, 2025



(Rs. in crore except earning per share)

S.No.	Particulars	Standalone						Consolidated					
		Quarter ended		Six months period ended		Year ended		Quarter ended		Six months period ended		Year ended	
		Unaudited	Unaudited	Unaudited	Unaudited	Audited	Audited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	Audited
September 30, 2025	June 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024	September 30, 2025	March 31, 2025	September 30, 2024	September 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024	September 30, 2025	March 31, 2025
		1	2	3	4	5	6	7	8	9	10	11	12
<b>1</b>	<b>Income</b>												
	(a) Revenue from operations	427.00	399.07	382.50	826.07	769.19	1,445.09	426.97	400.53	382.50	629.50	769.19	1,446.49
	(b) Other income	0.35	0.45	0.95	0.85	1.96	0.36	0.73	0.43	1.09	1.09	1.09	9.14
	<b>Total Income</b>	<b>427.35</b>	<b>399.52</b>	<b>383.45</b>	<b>826.87</b>	<b>771.15</b>	<b>1,455.02</b>	<b>429.33</b>	<b>401.26</b>	<b>392.93</b>	<b>630.59</b>	<b>770.26</b>	<b>1,455.63</b>
<b>2</b>	<b>Expenses</b>												
	(a) Cost of materials consumed	2.41	154.76	2.16	157.17	140.31	1,117.51	2.41	154.76	2.16	157.17	140.31	1,117.51
	(b) Purchase of stock-in-trade	0.04	6.30	(0.41)	6.34	6.85	11.27	0.05	6.30	(0.41)	6.35	8.85	11.27
	(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	381.40	193.42	338.14	574.82	519.61	(3.96)	381.05	193.37	318.11	575.02	519.55	(3.91)
	(d) Employee benefits expenses	21.67	21.27	20.03	42.94	39.93	87.35	22.34	22.02	20.05	44.36	39.95	88.12
	(e) Finance costs	4.44	11.04	8.38	15.48	21.41	29.51	4.44	11.04	8.39	15.48	21.46	29.56
	(f) Depreciation and amortisation expense	7.38	7.20	6.12	14.58	16.08	33.50	7.41	7.24	8.13	14.55	16.10	33.56
	(g) Other expenses	31.87	23.79	32.65	55.66	55.53	109.88	32.65	24.67	33.03	57.32	56.34	111.41
	<b>Total Expenses</b>	<b>449.21</b>	<b>417.78</b>	<b>409.09</b>	<b>866.99</b>	<b>804.72</b>	<b>1,395.07</b>	<b>450.95</b>	<b>419.40</b>	<b>409.48</b>	<b>870.35</b>	<b>802.67</b>	<b>1,387.52</b>
<b>3</b>	<b>Profit/(loss) before share of profit/(loss) of an associate, exceptional items and tax (1-2)</b>												
		(21.86)	(18.26)	(25.64)	(40.12)	(40.57)	(10.57)	69.95	(21.62)	(18.14)	(26.55)	(39.76)	(32.29)
<b>4</b>	<b>Share of profit/(loss) of associate</b>												
		(21.86)	(18.26)	(25.64)	(40.12)	(40.57)	(10.57)	69.95	(21.62)	(18.14)	(26.54)	(39.75)	(32.34)
<b>5</b>	<b>Profit/(loss) before exceptional items and tax (3-4)</b>												
		-	-	-	-	-	-	21.39	-	-	-	-	61.26
<b>6</b>	<b>Exceptional items (Refer note 4 &amp; 8b)</b>												
		(21.66)	(18.26)	(25.64)	(40.12)	(40.57)	(10.57)	91.34	(21.62)	(18.14)	(26.54)	(39.76)	(32.34)
<b>7</b>	<b>Tax expense/(credit)</b>												
	Current tax	-	-	-	-	-	-	7.17	-	-	-	-	7.17
	Adjustment in respect of deferred tax of earlier periods	-	-	-	-	-	-	0.11	-	-	-	-	0.11
	Deferred tax charge/(credit)	(5.49)	(4.60)	(6.35)	(10.09)	(7.58)	(12.86)	(5.49)	(4.60)	(6.35)	(10.09)	(7.58)	12.66
	<b>Total tax expense/(credit)</b>	<b>(5.49)</b>	<b>(4.60)</b>	<b>(6.35)</b>	<b>(10.09)</b>	<b>(7.58)</b>	<b>(12.86)</b>	<b>(5.49)</b>	<b>(4.60)</b>	<b>(6.35)</b>	<b>(10.09)</b>	<b>(7.58)</b>	<b>19.94</b>
<b>8</b>	<b>Profit/(loss) before tax (5-6)</b>												
		(16.37)	(13.66)	(9.29)	(30.33)	(32.99)	(7.14)	(16.13)	(13.54)	(20.19)	(23.67)	(24.76)	109.42
<b>9</b>	<b>Profit/(loss) for the period/year (7-8)</b>												
		-	-	-	-	-	-	(0.47)	-	-	-	-	(0.47)
	<b>Other comprehensive income/(loss):</b>							0.12	-	-	-	-	0.12
	(i) Re-measurement (losses) on defined benefit plans	-	-	-	-	-	-	(0.47)	-	-	-	-	(0.35)
	(ii) Income tax credit relating to items that will not be reclassified to profit & loss	-	-	-	-	-	-	0.12	-	-	-	-	0.12
	<b>Total other comprehensive income/(loss):</b>							(0.35)	-	-	-	-	(0.35)
<b>11</b>	<b>Total comprehensive income/(loss) for the period/year (9+10)</b>							(22.99)	7.05	(16.13)	(13.54)	(20.19)	(24.76)
<b>12</b>	<b>Profit/(loss) for the year attributed to :</b>												
	Equity holders of the Parent												
	Non Controlling interest												
<b>13</b>	<b>Total Comprehensive income/(loss) attributed to :</b>												
	Equity holders of the Parent												
	Non Controlling interest												
<b>14</b>	<b>Paid-up equity share capital (Face value of each share Rs. 10/-)</b>												
		39.12	39.12	39.12	39.12	39.12	39.12	45.23	39.12	39.12	39.12	39.12	39.12
<b>15</b>	<b>Other Equity as per balance sheet</b>												
	Earning per share (of Rs. 10 each) [Not annualised]	(4.93)	(3.49)	(7.68)	(5.88)	(10.25)	(4.12)	(3.46)	(5.16)	(7.59)	(6.35)	(7.59)	27.97
<b>16</b>	<b>Basic and diluted</b>												



Unaudited Segment-wise Revenue, Results, Assets and Liabilities for the quarter and six months period ended September 30, 2025

S. No.	Particulars	Standalone												Consolidated					
		Quarter ended			Six months period ended			Year ended			Quarter ended			Six months period ended			Year ended		
		Unaudited	Unaudited	Unaudited	Unaudited	September 30, 2024	September 30, 2025	Unaudited	Unaudited	Unaudited	September 30, 2025	September 30, 2024	Unaudited	Unaudited	September 30, 2025	September 30, 2024	Unaudited	Unaudited	
1.	Segment Revenue	1	2	3	4	5	6	4	5	6	7	8	9	8	9	10	11	12	13
	a) Sugar	383.26	408.17	347.83	602.43	742.04	1,552.31	395.23	410.63	347.83	805.86	742.04	1,553.71	408.17	347.83	602.43	742.04	1,552.31	805.86
	b) Power (Refer note 7)	19.15	35.77	2.55	45.92	43.22	226.69	10.15	35.77	2.55	45.92	43.22	226.69	177.83	177.83	177.83	177.83	177.83	177.83
	c) Distillery	50.54	52.44	39.39	102.98	89.21	177.83	50.54	52.44	39.39	102.98	89.21	177.83	177.83	177.83	177.83	177.83	177.83	177.83
	Total	433.95	492.34	389.77	951.33	874.47	1,956.81	455.92	498.84	389.77	954.76	874.47	1,956.81	1,956.81	1,956.81	1,956.81	1,956.81	1,956.81	1,956.81
	Less: Inter-Segment revenue	26.95	98.31	7.27	125.26	105.28	511.74	26.95	98.31	7.27	125.26	105.28	511.74	511.74	511.74	511.74	511.74	511.74	511.74
	Revenue from operations	427.00	399.67	362.50	826.07	769.19	1,445.69	428.97	400.53	382.50	829.50	769.19	1,445.69	1,445.69	1,445.69	1,445.69	1,445.69	1,445.69	1,445.69
2.	Segment Results Profit/(Loss) before tax, finance costs and exceptional items from Segment	(6.69)	(7.11)	0.45	(13.80)	6.79	89.71	(6.45)	(6.99)	0.45	(13.44)	6.79	89.71	6.79	6.79	6.79	6.79	6.79	6.79
	a) Sugar	(8.35)	(1.33)	(11.63)	(7.02)	(9.92)	19.05	(8.35)	(11.63)	(1.33)	(7.02)	(9.92)	19.05	19.05	19.05	19.05	19.05	19.05	19.05
	b) Power	3.52	2.85	(0.65)	6.37	2.76	6.08	3.52	2.85	6.37	2.76	6.08	6.08	6.08	6.08	6.08	6.08	6.08	6.08
	c) Distillery	(11.52)	(2.93)	(11.93)	(14.45)	(0.17)	114.84	(11.26)	(2.81)	(11.83)	(11.83)	(2.81)	114.84	114.84	114.84	114.84	114.84	114.84	114.84
	Total	(21.85)	(18.26)	(25.64)	(40.12)	(30.57)	91.34	(21.62)	(18.14)	(21.62)	(18.14)	(30.57)	91.34	91.34	91.34	91.34	91.34	91.34	91.34
	Less: i) Finance costs ii) Other un-allocable expenditure net off un-allocable income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(61.26)
	iii) Exceptional items (Refer note 4 & 5b)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(61.26)
	Net Profit/(Loss) before tax	(21.85)	(18.26)	(25.64)	(40.12)	(30.57)	91.34	(21.62)	(18.14)	(21.62)	(18.14)	(30.57)	91.34	91.34	91.34	91.34	91.34	91.34	91.34
3.	Segment Assets	356.22	708.29	411.82	256.22	411.82	874.69	349.35	711.16	411.82	359.35	411.82	874.69	874.69	874.69	874.69	874.69	874.69	874.69
	a) Sugar	65.79	91.04	56.70	85.79	95.70	99.33	65.79	91.04	56.70	85.79	95.70	99.33	99.33	99.33	99.33	99.33	99.33	99.33
	b) Power	63.63	79.33	39.57	63.63	39.57	77.22	63.63	42.70	57.91	79.33	39.57	63.63	39.57	39.57	39.57	39.57	39.57	39.57
	c) Distillery	58.86	46.23	160.93	58.86	160.93	160.93	58.86	160.93	58.86	160.93	160.93	160.93	160.93	160.93	160.93	160.93	160.93	160.93
	Total	564.50	924.89	709.02	564.50	709.02	1,093.94	566.68	926.81	674.56	566.68	674.56	1,093.94	1,093.94	1,093.94	1,093.94	1,093.94	1,093.94	1,093.94
4.	Segment Liabilities	69.60	72.87	63.61	69.60	63.61	157.25	71.56	74.80	63.61	71.56	74.80	63.61	63.61	63.61	63.61	63.61	63.61	63.61
	a) Sugar	3.59	2.49	5.22	3.59	5.22	2.40	3.59	2.40	3.59	2.40	3.59	2.40	2.40	2.40	2.40	2.40	2.40	2.40
	b) Power	3.86	4.44	3.75	3.86	3.75	4.52	3.86	4.52	3.86	4.52	3.86	4.52	4.52	4.52	4.52	4.52	4.52	4.52
	c) Distillery	29.33	37.00	226.69	29.33	226.69	437.71	226.69	437.71	226.69	437.71	226.69	437.71	437.71	437.71	437.71	437.71	437.71	437.71
	Total	106.38	450.40	299.27	106.38	299.27	601.88	106.34	452.33	304.72	601.88	106.34	452.33	304.72	304.72	304.72	304.72	304.72	304.72

MAWARDI & Sugars Limited  
New Delhi

S R B  
BALI BOI & CO LLP  
GURU G



Balance Sheet

(Rs. in crore)

S. No.	Particulars	Standalone		Consolidated	
		Unaudited As at September 30, 2025	Audited As at March 31, 2025	Unaudited As at September 30, 2025	Audited As at March 31, 2025
	<b>ASSETS</b>				
(1)	<b>Non-current assets</b>				
(a)	Property, plant and equipment	168.62	188.64	168.66	188.68
(b)	Capital work- in- progress	22.21	0.32	22.32	0.32
(c)	Goodwill	-	-	2.70	2.70
(d)	Other intangible assets	5.98	5.98	5.98	5.98
(e)	Right of use assets	0.87	0.81	1.03	0.96
(f)	<b>Financial assets</b>				
	- Investments	3.65	3.65	#	#
	- Others	0.98	1.05	0.98	1.05
(g)	Income tax assets (net)	12.03	2.09	12.07	2.11
(h)	Deferred tax assets (net)	10.94	0.84	10.94	0.84
(i)	Other non- current assets	0.17	3.58	0.47	3.73
	<b>Total Non-current assets</b>	<b>225.45</b>	<b>206.96</b>	<b>225.15</b>	<b>206.37</b>
(2)	<b>Current assets</b>				
(a)	Inventories	245.80	820.40	246.33	821.13
(b)	<b>Financial assets</b>				
	- Trade receivables	54.02	35.38	54.88	33.63
	- Cash and cash equivalents	0.50	6.10	1.00	9.23
	- Other bank balances	13.93	13.91	13.93	13.91
	- Others	8.49	3.53	8.49	3.53
(c)	Other current assets	9.87	7.66	10.46	8.18
		<b>332.61</b>	<b>886.98</b>	<b>335.09</b>	<b>889.61</b>
	Assets held for sale (Refer note 8)	6.44	-	6.44	-
	<b>Total current assets</b>	<b>339.05</b>	<b>886.98</b>	<b>341.53</b>	<b>889.61</b>
	<b>Total assets</b>	<b>564.50</b>	<b>1,093.94</b>	<b>566.68</b>	<b>1,095.98</b>
	<b>EQUITY</b>				
(a)	Equity share capital	39.12	39.12	39.12	39.12
(b)	Other equity	419.00	452.94	419.22	452.81
	<b>Total equity</b>	<b>458.12</b>	<b>492.06</b>	<b>458.34</b>	<b>491.93</b>
	<b>LIABILITIES</b>				
(1)	<b>Non- current liabilities</b>				
(a)	<b>Financial Liabilities</b>				
	- Lease liabilities	0.46	0.41	0.55	0.44
(b)	Provisions	10.52	10.23	10.71	10.44
	<b>Total non- current liabilities</b>	<b>10.98</b>	<b>10.64</b>	<b>11.26</b>	<b>10.88</b>
(2)	<b>Current liabilities</b>				
(a)	<b>Financial liabilities</b>				
	Borrowings	7.67	418.13	7.67	418.13
	Lease liabilities	0.45	0.44	0.54	0.58
	Trade payables				
	- Total outstanding dues to micro and small enterprises	1.59	2.50	1.74	2.71
	- Total outstanding dues of creditors other than micro and small enterprises	43.09	131.50	43.83	132.31
	Other financial liabilities	17.67	14.34	18.06	14.77
(b)	Other current liabilities	20.24	19.82	20.38	19.99
(c)	Provisions	4.69	4.51	4.86	4.68
	<b>Total current liabilities</b>	<b>95.40</b>	<b>591.24</b>	<b>97.08</b>	<b>593.17</b>
	<b>Total liabilities</b>	<b>106.38</b>	<b>601.88</b>	<b>108.34</b>	<b>604.05</b>
	<b>Total equity and liabilities</b>	<b>564.50</b>	<b>1,093.94</b>	<b>566.68</b>	<b>1,095.98</b>

(# Rs. 20, March 31, 2025: Rs.20)




Statement of cash flows for the six months period ended September 30, 2025

Particulars		Standalone (Unaudited)		Consolidated (Unaudited)	
		Six months period ended September 30, 2025	Six months period ended September 30, 2024	Six months period ended September 30, 2025	Six months period ended September 30, 2024
<b>A.</b>	<b>Cash flow from operating activities :</b>				
	Loss before tax	(40.12)	(30.57)	(39.76)	(32.34)
<b>Add :</b>	Depreciation and amortisation expense	14.58	16.08	14.65	16.10
	Interest expenses	15.48	21.41	15.48	21.46
	Share of loss of associate	-	-	-	0.05
	Irrecoverable balances written off	0.01	0.01	0.01	0.01
<b>Less :</b>	Loss on disposal of property, plant and equipment (net)	0.02	-	0.02	-
	Interest income	0.50	1.78	0.59	0.53
	Liabilities / provision no longer required written back (net)	0.22	0.01	0.42	0.02
	<b>Operating profit/(loss) before working capital changes</b>	<b>(10.75)</b>	<b>5.14</b>	<b>(10.61)</b>	<b>4.73</b>
	<b>Changes in working capital:</b>				
	Adjustments for (increase) / decrease in operating assets:				
	Inventories	574.60	522.71	574.80	522.66
	Trade receivables	(18.66)	(1.39)	(21.26)	(1.35)
	Financial assets	(4.59)	(6.13)	(4.59)	(6.16)
	Other assets	(2.21)	5.50	(2.25)	5.49
	Adjustments for increase / (decrease) in operating liabilities:				
	Trade payables	(89.11)	(105.69)	(89.04)	(105.60)
	Provisions	0.47	0.20	0.45	0.20
	Other financial liabilities	2.53	2.63	2.53	2.62
	Other liabilities	0.31	0.76	0.28	0.75
	<b>Cash from operations</b>	<b>452.59</b>	<b>423.73</b>	<b>450.28</b>	<b>423.32</b>
	Direct taxes paid	(9.94)	(1.50)	(9.95)	(1.50)
	<b>Net cash flow from operating activities (A)</b>	<b>442.65</b>	<b>422.23</b>	<b>440.32</b>	<b>421.82</b>
<b>B.</b>	<b>Cash flow from investing activities :</b>				
	Purchase of property, plant and equipment, including capital advances	(19.02)	(14.51)	(19.30)	(14.52)
	Proceeds from sale of property, plant and equipment	0.50	0.01	0.50	0.01
	Fixed deposits placed	(0.87)	(100.20)	(0.88)	(100.20)
	Fixed deposits matured	0.98	111.32	0.98	111.32
	Loan given to subsidiary	-	(0.80)	-	-
	Advance against sale of investment in subsidiaries	-	23.40	-	23.40
	Interest received	0.13	1.22	0.22	0.80
	<b>Net Cash from/(used in) investing activities (B)</b>	<b>(18.28)</b>	<b>20.44</b>	<b>(18.48)</b>	<b>20.81</b>
<b>C.</b>	<b>Cash flow from financing activities :</b>				
	Repayment of long term borrowings- secured	-	(4.83)	-	(4.83)
	Dividend paid	(3.91)	(15.65)	(3.91)	(15.65)
	Net (repayment)/proceeds in working capital borrowings	(410.46)	(380.77)	(410.46)	(380.77)
	Lease payments	(0.24)	(0.26)	(0.30)	(0.26)
	Interest on lease payments	(0.06)	(0.03)	(0.06)	(0.03)
	Interest paid	(15.30)	(21.06)	(15.34)	(21.07)
	<b>Net cash flow (used in) from financing activities (C)</b>	<b>(429.97)</b>	<b>(422.60)</b>	<b>(430.07)</b>	<b>(422.51)</b>
<b>D.</b>	<b>Increase/(Decrease) in Cash and cash equivalents (A+B+C)</b>	<b>(5.60)</b>	<b>20.07</b>	<b>(8.23)</b>	<b>20.02</b>
<b>E.</b>	<b>Cash and cash equivalents at the beginning of the year</b>	<b>6.10</b>	<b>9.98</b>	<b>9.23</b>	<b>10.09</b>
<b>F.</b>	<b>Cash and cash equivalents at the end of the year (D+E)</b>	<b>0.50</b>	<b>30.05</b>	<b>1.00</b>	<b>30.11</b>
Particulars		As at September 30, 2025	As at September 30, 2024	As at September 30, 2025	As at September 30, 2024
<b>Cash and Cash Equivalent</b>					
Balances with banks:					
- Current accounts	0.44	6.62	0.94	6.68	
Cash on hand	0.06	0.03	0.06	0.03	
Fixed deposits with banks (with original maturity of three months or less)	-	23.40	-	23.40	
<b>Total cash and cash equivalents</b>	<b>0.50</b>	<b>30.05</b>	<b>1.00</b>	<b>30.11</b>	

**Note :** Cash flow statements are prepared in accordance with "indAS 7 - 'Statement of Cash Flows'.




**Notes:**

1. The standalone and consolidated financial results have been prepared in accordance with the Indian Accounting Standards ("Ind AS") as prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder.
2. The Statutory auditors have conducted a limited review of these standalone and consolidated financial results for the quarter and six months period ended September 30, 2025. The unaudited standalone and consolidated financial results have been recommended by the Audit Committee at its meeting held on November 08, 2025 and approved by the Board of Directors at its meeting held on November 08, 2025.
3. The Company's sugar and power business segments is seasonal in nature and therefore, the performance in any quarter may not be representative of the annual performance of the Company.
4. During the year ended March 31, 2025:
  - a) the Company sold its shareholding (Equity and Preference) held in Siel Industrial Estate Limited (Siel IE) and in Siel Infrastructure and Estate Developers Private Limited (Siel IED) along with all their respective assets and liabilities, on an "AS IS WHERE IS WHAT IS" basis for a total consideration of Rs.117 crores, including repayment of loans aggregating to Rs. 9.50 crores given by the Company to Siel IE, resulting into a net gain of Rs. 22.99 crores and Rs. 62.70 crores (net of expenses) in standalone and consolidated financial results respectively and was disclosed as an exceptional item.

During the tax financial year ended March 31, 2013, the Company sold equity shares of Siel-IE to Siel IED for a consideration of Rs. 135.02 crores resulting in profit of Rs. 121.54 crores, however, this profit was not recorded during the same year in view of statutory auditors' qualification. Based on opinions from tax experts and legal precedents, Company considered the cost of acquisition of shares of Siel IED at Rs. 135.02 crores for the purpose of determination of tax liability relating to the above transaction which was determined at Rs. 7.17 crores.

- b) the Company purchased balance 1,32,77,049 (66.26%) fully paid-up equity shares of Rs. 10/- each held by Usha International Limited (UIL) in Mawana Foods Private Limited (MFPL) for a total consideration of Rs. 2.42 crores. The Share Purchase and business acquisition was completed on December 31, 2024 and accordingly, MFPL became a wholly owned subsidiary of Mawana Sugars Limited w.e.f. December 31, 2024.

Till the year ended March 31, 2024, the Company had recorded a provision for impairment of Rs. 12.17 crores and Rs. 10.89 crores (excluding losses of Rs. 1.28 crores already accounted) in the standalone and consolidated financial statements respectively. Further, based on the purchase price of the balance stake, the Company recognized an additional provision for impairment to the extent of excess carrying value over its value in use by Rs 1.60 crores in the standalone financial results and further loss on fair valuation of previously held stake in Associate of Rs. 1.42 crores and disclosed the same as Exceptional item.

- c) the Company acquired the 'MAWANA' brand (including trademarks, related marks, and copyrights) for a consideration of Rs. 5.75 crores plus applicable GST from its related party based on a fair valuation by an expert. Based on the guiding principle of Ind AS 38, the management assessed the useful life of the said brand to be indefinite.
- d) pursuant to a favorable order received from Hon'ble High Court of Delhi against an ex-vendor in 2015 and its execution petition filed in 2021, the Company had received an Arbitration Award of Rs. 2.20 crores and disclosed the same under 'Other Income'.





5. During the previous quarter, the Company had received a demand of Rs. 9.50 crores for the period from August 2018 to June 2025 vide a demand letter dated July 09, 2025 from the Office of Assistant Excise Commissioner, Meerut for deposit of Export Pass Fees levied on Denatured Spirit under Rule 10 ("Rule") of the U.P. Excise, Import, Export, Transport and Possession of De-natured Spirit Rules, 1989 read with notification dated March 31, 2004 pursuant to the decision of Hon'ble Supreme Court dated October 23, 2024 in another matter on the same subject.

The UP Sugar Manufacturers' Association (UPSMA) obtained a legal opinion from two legal experts who opined that the State Government cannot demand any duty for the past period unless fresh legislation is enacted in accordance with the judgment of the Supreme Court. Based on the legal advice, UPSMA filed a writ petition challenging the orders for recovery and deposit of import/export pass fees for the transport of denatured rectified spirit/specially denatured spirit.

During the current quarter, vide an interim order dated July 30, 2025, the Hon'ble Court of Allahabad has allowed the movement of the trucks containing industrial alcohol subject to proper records and furnishing of indemnity bond with the Excise Officer of the District. The said arrangement is subject to further orders/final result in the abovesaid writ petition.

Based upon management evaluation and independent legal opinions obtained, the Company believes that no provision is required in the financial results in this regard.

6. The Board of Directors of the Company, at its meeting held on August 02, 2025, approved a Scheme of Arrangement under Sections 230 and 232 of the Companies Act, 2013, involving the merger of "Mawana Foods Private Limited" with the Company.

Pursuant to the approval of the Board, the Company has filed the requisite applications and documents with the Hon'ble National Company Law Tribunal (NCLT), Delhi Bench. The Scheme shall become effective upon receipt of sanction from the Hon'ble NCLT and filing of the certified true copy of the NCLT Order with the Registrar of Companies, National Capital Territory of Delhi and Haryana, in accordance with the provisions of Section 232(5) of the Companies Act, 2013.

The financial results for the quarter and six months ended September 30, 2025, have been prepared without giving effect to the proposed merger, pending completion of the aforesaid approvals and other compliances.

7. Pursuant to the notification of the Captive and Renewable Energy (CRE) Regulation, 2024 issued by the Uttar Pradesh Electricity Regulatory Commission (UPERC) on October 17, 2025, a new tariff structure has been implemented with retrospective effect from April 01, 2024. Accordingly, the Company has during the current quarter recognized differential revenue for the period from April 01, 2024 to September 30, 2025 amounting to Rs. 5.05 crore and has included the same under "Power" segment revenue.

8. During the current quarter, pursuant to the approval received from the Board, two land parcels having carrying amount of Rs. 6.42 crore have been reclassified as "assets held for sale," in accordance with applicable accounting standard i.e. Ind AS 105 "Non-current Assets Held for Sale and Discontinued Operations", at the lower of their carrying amount and fair value less costs to sell.

For Mawana Sugars Limited

Rakesh Kumar Gangwar  
(Managing Director)  
DIN No. 09485856

Place: Gurugram  
Date: November 08, 2025





REPORT ADOPTED BY THE BOARD OF DIRECTORS OF MAWANA SUGARS LIMITED ("COMPANY") IN ACCORDANCE WITH THE PROVISIONS OF SECTION 232(2)(C) OF THE COMPANIES ACT, 2013 READ WITH RULE 6(3)(VI) OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016 IN THEIR MEETING HELD ON SATURDAY, 2<sup>ND</sup> DAY OF AUGUST 2025 AT 12:00 NOON THROUGH VIDEO CONFERENCING AND OTHER AUDIO VIDEO VISUAL MEANS

1. Background:

- 1.1 The proposed scheme of amalgamation ("Scheme") provides for amalgamation between Mawana Foods Private Limited ("Transferor Company") and Mawana Sugars Limited ("Transferee Company" or "Company") and their respective shareholders and creditors, under the provisions of sections 230-232 and all other applicable provisions, if any, of the Companies Act, 2013 ("Companies Act") read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 ("M&A Rules") [For the sake of brevity, Transferor Company and Transferee Company are hereinafter collectively referred to as "Companies"].
- 1.2 The Transferor Company is a wholly owned subsidiary of the Company.
- 1.3 In accordance with the provisions of section 232(2)(c) of Companies Act read with rule 6(3)(vi) of M&A Rules, directors of the Company are required to adopt a report explaining the effect of the Scheme on each class of shareholders, key managerial personnel, directors, promoter and non-promoter shareholders, depositors, creditors, debenture holders, deposit trustee, debenture trustee and employees of the Company. The said report is required to be circulated along with notice convening the meeting(s), if any, of shareholders and creditors, as the case may be, of the respective Companies.
- 1.4 On the recommendations of the Audit Committee, the Scheme was approved by the Board of Directors of the Company ("Board" or "Board of Directors") vide resolution passed in its meeting held on 02<sup>nd</sup> August 2025, and having regard to the aforesaid provision, the Board took into consideration, *inter alia*, the rationale behind the Scheme, its impact on the Company's stakeholders, the financial position of the Transferor Company and other documents placed before it.

MAWANA SUGARS LIMITED

CIN : L74100DL1961PLC003413

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1.5 Upon coming into effect of the Scheme, the Transferor Company shall stand dissolved without following the process of winding up.

**2. Documents reviewed:**

2.1 Certificate obtained from S.R. Batliboi & Co. LLP, Chartered Accountants, Firm Registration No. 301003E/E300005, statutory auditor of the Company, on the accounting treatment prescribed in the Scheme.

**3. Rational for the Scheme:**

The Transferee Company is engaged in the business of manufacturing and marketing of sugar, ethanol and cogeneration of power at its units located at Mawana Sugar Works, Distt. Meerut, Uttar Pradesh and Nanglamal Sugar Complex, Nanglamal, Distt. Meerut, Uttar Pradesh whereas the Transferor Company is engaged in the business of trading of sugar under the brand name 'Mawana'. As both the Companies are engaged in similar line of businesses, accordingly, in order to leverage the existing strength and capabilities of group entities engaged in similar businesses, it is proposed to amalgamate the Transferor Company with and into the Transferee Company.

Thus, the amalgamation would, inter-alia, have the following benefits:

- (a) The consolidation of business would create synergies between the businesses of the Companies, thereby enabling pooling of financial, marketing, technical, distribution and other resources along with optimum utilization of resources.
- (b) The Scheme would lead to efficient and economical cost management, cost savings, better alignment, coordination and streamlining of day-to-day operations of the units and will provide a larger and stronger base for potential future growth.
- (c) The consolidation of business would result in simplification of the existing corporate structure and eliminate administrative duplications, consequently rationalization of administrative expenses/ services as well as reducing multiple legal and regulatory compliances.



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- (d) The consolidation of business would allow for streamlined decision making process, help in better utilization of human resources and providing access to a larger and more diverse talent pool leading to improved expertise, skills and capabilities.
- (e) Thus, this Scheme, as envisaged, is in the interest of the shareholders, creditors, employees, and other stakeholders of each of the Companies by pursuing a focused business approach under a single entity, thereby resulting in overall maximization of value creation of all the stakeholders involved.

The Board of Directors of the Transferor Company and the Transferee Company are of the opinion that the Scheme is not prejudicial to the shareholders, directors, key management personnel, creditors, lenders, employees and other stakeholders of the Companies.

#### 4. Consideration:

As per Clause 19.1 of the Scheme, since, the Transferor Company is a wholly owned subsidiary of the Company, accordingly, upon the Scheme becoming effective, all the equity shares as held by the Company in the Transferor Company either by itself or through its nominee shall stand cancelled and extinguished. Therefore, there will be no issue and allotment of shares as consideration by the Company to the shareholders of the Transferor Company. The investments in the shares of the Transferor Company, appearing in the books of account of Company shall, without any further act or deed, stand cancelled.

#### 5. Effect of the Scheme on stakeholders of the Company:

S. No.	Particulars	Effect
1.	Directors/Key Managerial Personnel (KMP)	No effect, as pursuant to the Scheme becoming effective, the present Directors and KMPs of the Company shall continue to be the Directors and KMPs of the Company.
2.	Promoter Equity Shareholders	Since, the Transferor Company is a wholly owned subsidiary of the Company, accordingly, upon the Scheme becoming

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		effective, no shares will be issued by the Company to the shareholders of the Transferor Company being itself and hence, there will be no change in the shareholding of Promoter Equity Shareholders of the Company, pursuant to the Scheme.
3.	Non-Promoter Equity Shareholders	Since, the Transferor Company is a wholly owned subsidiary of the Company, accordingly, upon the Scheme becoming effective, no shares will be issued by the Company to the shareholders of the Transferor Company being itself and hence, there will be no change in the shareholding of Non-Promoter Equity Shareholders of the Company, pursuant to the Scheme.
4.	Employees	No Effect, as upon the Scheme becoming effective, present employees of the Company shall continue to be the employees of the Company.
5.	Secured Creditors	No Effect, as upon the Scheme becoming effective, secured creditors of the Company shall continue to be the secured creditors of the Company.
6.	Unsecured Creditors	No Effect, as upon the Scheme becoming effective, unsecured creditors of the Company shall continue to be the unsecured creditors of the Company.
7.	Depositors	Not Applicable, as there are no depositors in the Company.
8.	Deposit trustee	Not Applicable, as there is no deposit trustee in the Company.

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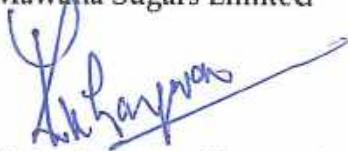
9.	Debenture Holders	Not Applicable, as there is no debenture holder in the Company.
10.	Debenture Trustee	Not Applicable, as there is no debenture trustee in the Company.

6. Adoption of the report by the board of directors of the Company:

The Board of Directors have unanimously adopted this report after noting and considering the information set forth in this report.

For Mawana Sugars Limited



  
(Rakesh Kumar Gangwar)  
Managing Director  
DIN No. 09485856

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**CERTIFIED TRUE COPY OF RESOLUTION PASSED BY THE BOARD OF DIRECTORS  
OF MAWANA FOODS PRIVATE LIMITED (“COMPANY”) IN THEIR MEETING HELD  
ON TUESDAY, 12TH AUGUST 2025 AT 11:45 THROUGH VIDEO CONFERENCING AT  
PLOT NO.3, INSTITUTIONAL AREA, SECTOR-32, GURUGRAM-122001.**

**Approval of Scheme of Amalgamation between Mawana Foods Private Limited and Mawana Sugars Limited and their respective shareholders and creditors and adoption of the report in accordance with the provisions of section 232(2)(c) of the Companies Act, 2013 read with rule 6(3)(vi) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016:**

**“RESOLVED THAT** pursuant to the provisions of sections 230 to 232 and other applicable provisions, if any, of the Companies Act, 2013 (“**Companies Act**”) read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (*including any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force*), relevant provisions of Memorandum and Articles of Association of the Company and other applicable rules, regulations, bye-laws, as the case may be, and subject to requisite approvals of the members and/or creditors of the Company and such other approvals, sanctions and permissions of the jurisdictional National Company Law Tribunal (*hereinafter collectively referred as “Tribunal”*) and any other relevant authority or regulatory authority, body, institution (*hereinafter collectively referred as “Concerned Authority”*) of competent jurisdiction under applicable laws for the time being in force, consent of board of directors (*hereinafter referred to as “Board”*) of the Company be and is hereby accorded for approval of the draft scheme of amalgamation (“**Scheme**”) between Mawana Foods Private Limited (Transferor Company) and Mawana Sugars Limited (Transferee Company) and their respective shareholders and creditors, on a going concern basis, with effect from the Appointed Date (*as defined in the Scheme*), as placed before the board of directors.

**RESOLVED FURTHER THAT** since the Company is a wholly owned subsidiary of the Transferee Company, accordingly, upon the Scheme becoming effective, no shares will be issued by the Transferee Company as a consideration for the Scheme to the shareholders of the Company, being itself.

**RESOLVED ALSO THAT** in terms of the provisions of section 232(2)(c) of Companies Act, the draft report explaining the effect of the Scheme on each class of shareholders, key managerial personnel, directors, promoters and non-promoter shareholders and other stakeholders of the Company, be and is hereby noted, adopted and approved and the same be signed on behalf of the Board by any one of the directors of the Company.

MAWANA FOODS PRIVATE LIMITED  
(Formerly known as Mawana Foods Ltd)  
(CIN : U74899DL2006PTC144412)



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**RESOLVED ALSO THAT** the accounting treatment certificate being issued by Walker Chandiok & Co. LLP, Chartered Accountants, Firm Registration No. 001076N/N500013, statutory auditor of the Company, confirming the accounting treatment stated in the Scheme, as placed before the Board, be and is hereby noted, adopted and approved.

**RESOLVED ALSO THAT** all the directors of the Company, Mr. Narender Jain, CFO and Mr. Ashok Kumar Shukla, Company Secretary, be and are hereby jointly and/or severally authorized to make such alteration(s) and change(s) in the Scheme as may be expedient or necessary to effectively implement the Scheme, as they deem fit or which may be expedient or necessary for satisfying the requirement or condition imposed by the Hon'ble Tribunal and/or Concerned Authority and/or creditors and/or members of Company.

**RESOLVED ALSO THAT** all the directors of the Company, Mr. Narender Jain, CFO and Mr. Ashok Kumar Shukla, Company Secretary, be and are hereby jointly and/or severally authorized:

- a) to make, prepare, sign and file applications, petitions, affidavits and such other documents as may be necessary with the Hon'ble Tribunal.
- b) to obtain waiver/directions for convening and holding the meetings of the members and/or creditors, as the case may be, of the Company and to sign and issue public advertisements and notices in connection with the Scheme.
- c) to make any amendment(s), alteration(s) and modification(s) in the said Scheme as may be suggested by members and/or creditors, as the case may be, of respective companies and/or by Hon'ble Tribunal and/or Concerned Authority.
- d) to engage, hire, appoint and remove one or more counsel/advocate/pleader to represent and act on behalf of the Company in the proceedings before Hon'ble Tribunal, Concerned Authority and/or any other authority in any matter related to the Scheme.
- e) to engage professionals including but not limited to Advocates, Company Secretaries, Chartered Accountants, advisors, consultants and if considered necessary, also engage services of Counsel(s), declare and file all pleadings, reports and sign and issue public advertisements, notices and to do all acts as may be incidental and necessary thereto.
- f) filing the Scheme and/or any other information/ details with the regulatory/statutory authorities or agencies including responding to their queries, if any.
- g) to represent the Company in general before the Hon'ble Tribunal or such other competent authority(ies) or any such meetings convened by the Hon'ble Tribunal or such other competent authority in relation to any matter pertaining to the aforesaid Scheme.
- h) obtaining approval/consent from such other authorities and/or parties including the shareholders and creditors, as may be considered necessary to the said Scheme.

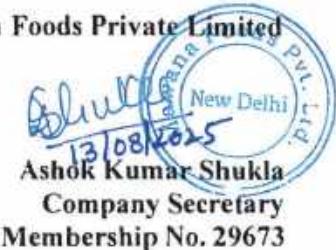


- i) to settle any question/issue or difficulty that may arise with regard to implementation of the Scheme, and to give effect to this resolution.
- j) in accordance with the relevant clause(s) of the Scheme, to withdraw the Scheme at any stage in case the changes or modifications required in the Scheme or the conditions imposed by any shareholder, creditor, the Hon'ble Tribunal and/or the Concerned Authority, are not acceptable, and if the Scheme cannot be implemented otherwise, and to do all such acts, deeds and things as they may think necessary and desirable in connection therewith and incidental thereto;
- k) to affix common seal, if any, of the Company, in accordance with Articles of Association of the Company, on such documents and papers as may be necessary in this regard.
- l) to do such things and to take such steps as may be necessary for getting the Scheme approved by members and creditors, if any, of the Company and sanctioned by Hon'ble Tribunal and/or Concerned Authority.
- m) to do all such things and to take all such steps as may be necessary for the purpose of ensuring compliance with the directions that may be given by Hon'ble Tribunal and/or Concerned Authority.
- n) to delegate all or any of the aforesaid powers to any other person by way of a valid power of attorney.
- o) pay/authorize payments of stamp duties, taxes, charges, fees and such other payments as may be necessary in relation to the Scheme.

**RESOLVED ALSO THAT** all acts, deeds, matters and things done by the authorized signatories/representatives for the aforementioned purpose shall have the same effect as if done by the board of directors and the board of directors hereby ratifies/ agrees to ratify any acts, deeds and things done/caused to be done by any authorized signatory (ies) pursuant to the foregoing resolution.

**RESOLVED ALSO THAT** a certified copy of this resolution be issued under the signature of any one of director or Company Secretary of the Company to the concerned appropriate authorities or entities as and when required."

For Mawana Foods Private Limited



Ashok Kumar Shukla  
Company Secretary  
Membership No. 29673

Registered Office: 5<sup>th</sup> Floor, Kirti Mahal, 19, Rajendra Place, New Delhi - 110 008  
T: +91-11-25739103, F: +91-11-25743659  
Email: care@mawanafoods.com Website: www.mawanafoods.com

To,  
The Members

### DIRECTORS' REPORT

Your Directors hereby present the 20<sup>th</sup> Annual Report on the business and operations of the Company along with the Audited Accounts of the Company for the financial year ended 31<sup>st</sup> March 2025.

### FINANCIAL SUMMARY

The performance of the Company for the financial year ended 31<sup>st</sup> March 2025 is summarized below:

S.No.	Particulars	Financial Year Ended	
		31 March 2025	31 March 2024
1	Total Income	3656.88	3443.23
2	Earnings before interest, depreciation, and tax	11.35	(26.68)
3	<b>Less:</b>		
	a) Interest	6.86	6.53
	b) Depreciation and amortization	14.99	12.52
	c) Current Tax/tax pertaining to previous year	-	-
	(Loss ) after-tax	(10.50)	(45.73)

Note: The loss after Tax as on 31 March 2025 is Rs. 10.50 Lakhs against loss of Rs.45.73 Lakhs as on 31 March 2024 and the Reserves and Surplus is Rs. (1919.61) lakhs as of 31 March 2025 (Rs. (1909.79) Lakhs as on 31 March 2024). The Net Worth of the Company as on 31 March 2025 is Rs.84.08lakhs (Rs. 93.90 Lakhs as on 31 March 2024).



## RESERVES

The amount which the Board proposes to carry to any reserve is NIL

## DIVIDEND

Since there are no divisible profits during the year and in view of accumulated losses of previous years, no dividend was paid for the financial year ended 31 March 2025.

## DEPOSITS OF THE COMPANY

The Company has no Public Deposits at the end of the Financial Year.

## SHARE CAPITAL

The authorized share capital of the Company is 2,50,00,000 (Two Crores Fifty Lakhs Only) equity shares of Rs. 10/- each amounting to Rs. 25,00,00,000/- (Rupees Twenty-Five Crores Only) and the issued, paid-up and subscribed share capital of the Company is Rs.20,03,68,510/- (Rupees Twenty Crores Three Lakhs Sixty Eight Thousand Five Hundred and Ten Only) divided into 2,00,36,851 equity shares of Rs. 10/- each.

## SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES OF THE COMPANY

The Company became a subsidiary of Mawana Sugars Limited with effect from December 31, 2024, pursuant to the acquisition of 1,32,77,049 fully paid-up equity shares of ₹10/- each (including four shares held through nominees) by Mawana Sugars Limited from Usha International Limited, for a total consideration of ₹2,41,64,229 (Rupees Two Crore Forty-One Lakh Sixty-Four Thousand Two Hundred and Twenty-Nine Only).

## CHANGE IN THE NATURE OF BUSINESS

There was no change in the nature of business of the Company during the financial year ended 31 March 2025.

## STATE OF COMPANY'S AFFAIRS

**A brief description of the Company's operations during the financial year ended 31 March 2025 is as follows:**

The Company deals in Retail Sugar during the year. The total Income of the Company is Rs.3656.88 lakhs in the current year as against Rs 3443.23 lakhs in the previous year.

The Company made loss before tax of Rs.10.50 lakhs as against the loss of Rs. 45.73 lakhs in the previous year. The operating profit (EBITDA) of the Company in the current year is Rs.11.35 lakhs as against Rs. (26.68) lakhs in the previous year.

## **SIGNIFICANT AND MATERIAL ORDERS PASSED BY COURT, REGULATORS AND TRIBUNALS**

During the year ended 31 March 2025, there are no significant and material orders passed by the regulators or courts or tribunals which would impact the going concern status of the Company's operations in the future.

## **MATERIAL CHANGES AND COMMITMENTS**

No material changes and commitments are affecting the financial position of the Company which has occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

## **AUDITORS OF THE COMPANY STATUTORY AUDITORS**

M/s Walker Chandiok & Co LLP, Chartered Accountants (FRN:001076N/N500013) was the Statutory Auditors of the Company for the FY 2024-25.

## **INTERNAL AUDITORS**

M/s Lodha & Co. LLP, Chartered Accountants, was appointed as Internal Auditors of the Company to ensure an effective internal control mechanism for the Financial Year 2024-25.

## **AUDITORS' REPORT**

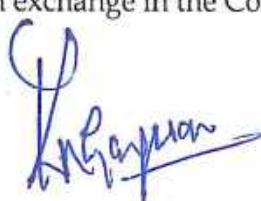
The observations of the Auditors in their report, read with relevant notes to the accounts are self-explanatory and do not require further explanation. Further, there is no qualification, reservation, or adverse remark or disclaimer made by the auditor in the report.

## **INTERNAL FINANCIAL CONTROLS**

Your Company has put in place adequate policies and procedures to ensure that the system of internal financial control is commensurate with the size and nature of the Company's business. A regular internal audit and review processes by M/s Lodha & Co. LLP, Chartered Accountants, ensure that the controls are reinforced on an ongoing basis. Such controls have been assessed during the year taking into consideration the essential components of internal financial controls. Based on the assessment carried out by the Company, the internal financial controls were adequate and effective and no reportable material weakness or significant deficiencies in the design or operation of internal financial controls were observed, during the year ended 31 March 2025.

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

There is no conservation of energy, technology absorption, foreign exchange earnings and outgo of foreign exchange in the Company for the financial year ended 31 March 2025.



## **PARTICULARS OF EMPLOYEES**

As on 31 March 2025, the Company has no employee in terms of the provisions of Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

## **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

As on 31 March 2025, according to Section 186 of the Companies Act, 2013 there are no particulars of loans or guarantees in the Company.

## **PARTICULARS OF RELATED PARTY TRANSACTIONS**

According to Section 188 of the Companies Act, 2013 the particulars of every contract or arrangement entered into by the Company with related parties including arm's length transactions under the third provision.

## **EXTRACT OF ANNUAL RETURN OF THE COMPANY**

In accordance with Section 134(3)(a) of the Companies Act, 2013, an extract of the Annual Return of the Company will be available on website of the Company <https://www.mawanafoods.com/>.

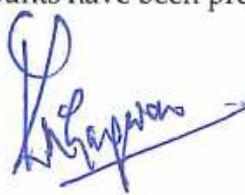
## **RISK MANAGEMENT POLICY**

The Company has a risk management policy. The development and implementation of a risk management policy of the Company include the identification therein of elements of risk, which in the opinion of the Board may threaten the existence of the Company.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 134(5) of the Companies Act, 2013, with respect to the Directors' Responsibility Statement, the Directors confirm that:

- (a) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) That accounting policies have been applied consistently, and judgments and estimates were made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of loss of the Company for that period.
- (c) That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (d) That the annual accounts have been prepared on a going concern basis; and



- (e) That the Company has laid down internal financial controls and that such internal financial controls are adequate and were operating effectively.
- (f) That proper system has been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **DETAILS OF DIRECTOR AND KEY MANAGERIAL PERSONNEL**

The Board of Directors has approved the appointment of Mr. Rakesh Kumar Gangwar as Managing Director and Mr. Ashok Kumar Shukla as Company Secretary of the Company with effect from January 1, 2025.

Further, Mr. Rajesh Tara, Director, and Ms. Attreyee Das, Company Secretary, have resigned from the Company with effect from December 31, 2024.

#### **DECLARATION U/S 149 (6) OF THE COMPANIES ACT, 2013**

The Independent Directors have submitted their respective disclosure to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 and are qualified to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules.

#### **ANNUAL EVALUATION**

The Board of Directors has carried out an annual evaluation of its own performance and that of its Committees and Individual Directors.

The Board of Directors has carried out an annual evaluation of its own performance, Board Committees and individual Directors as per the guidelines laid by the Institute of Company Secretaries of India (ICSI). The performance of the Board and Committees thereof was evaluated based on the criteria such as the composition and structure, effectiveness of processes, information, the involvement of the Members and functioning etc. The Board reviewed the performance of the individual Directors based on the criteria such as the contribution of the individual Director to the Board and Committee meetings like preparedness on the issues to be discussed, meaningful and constructive discussion and inputs in meetings, etc.

The review concluded by affirming that the Board as a whole, the Committees of the Board as well as all its members, individually, continued to display a commitment to good governance, ensuring constant improvement of processes and procedures. It was further acknowledged that every individual Member of the Board and the Committee thereof contribute its best in the overall growth of the organization.

#### **SEXUAL HARASSMENT PROHIBITION POLICY**

Pursuant to the "Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013", the Company constituted Internal Complaints Committees at its workplaces. During the year 2024-25, there has not been any instance of complaint reported in this regard.



## BOARD & COMMITTEE MEETINGS OF THE COMPANY

### BOARD MEETINGS

At the year ended 31 March 2025, the Company's Board consists of 3 (Three) Directors.

During the year ended 31 March 2025, 6 (Six) Board meetings were held on 22<sup>nd</sup> May 2024, 08<sup>th</sup> August, 2024, 07<sup>th</sup> November, 2024, 31<sup>st</sup> December 2024 06<sup>th</sup> February, 2025 and 28<sup>th</sup> March 2025. A Meeting of Independent Director was also held on 28.03.2005. Necessary Quorum was present at all the meetings. The intervening gap between any two meetings was within the period prescribed in the Companies Act, 2013. The Composition of the Board and the number of meetings attended by the Directors during the FY 2024-25 is as below:

Director	Executive/ Non-Executive	Independent/ Non-Independent	No. of Meetings during the F.Y. 2024-25	
			Held	Attended
Mr. Rajesh Tara*	Non-Executive	Non Independent	6	4
Mr. Rakesh Kumar Gangwar**	Executive	Non Independent	6	2
Mr. A.K. Kaul	Non-Executive	Independent	6	6
Mr. G.R Arora	Non-Executive	Independent	6	6

\*Mr. Rajesh Tara ceased to be Director of the Company w.e.f. 31.12.2024.

\*\*Mr. Rakesh Kumar Gangwar become Director of the Company w.e.f. 01.01.2025.

### AUDIT COMMITTEE MEETINGS OF THE COMPANY

As at March 31, 2025 Audit Committee comprised of one Executive Director and two Non-Executive & Independent Directors.

During the year ended 31 March 2025, 4 (four) Audit Committee Meetings were held on 22<sup>nd</sup> May, 2024, 08<sup>th</sup> August, 2024, 07<sup>th</sup> November, 2024 and 06<sup>th</sup> February, 2025. Necessary Quorum was present at all the meetings. Company Secretary acted as a Secretary to the Audit Committee.

The composition of the Audit Committee and the number of meetings attended by its members during the FY 2024-25 are as below:

During the year there is no recommendation of the Audit Committee in any meeting which was not accepted and approved by the Board.

Director	Executive/ Non-Executive	Independent/ Non-Independent	No. of Meetings during the F.Y. 2024-25	
			Held	Attended
Mr. Rajesh Tara*	Non-Executive	Non Independent	4	3
Mr. Rakesh Kumar Gangwar**	Executive	Non Independent	4	1
Mr. A.K. Kaul	Non-Executive	Independent	4	4
Mr. G.R Arora	Non-Executive	Independent	4	4

\*Mr. Rajesh Tara ceased to be Member of the Committee w.e.f. 31.12.2024.

\*\*Mr. Rakesh Kumar Gangwar become Member of the Committee w.e.f. 01.01.2025.



6

## NOMINATION AND REMUNERATION COMMITTEE MEETINGS OF THE COMPANY

As at March 31, 2025, the Nomination and Remuneration Committee comprised of one Executive Director and two Non-Executive Independent Directors.

The Remuneration Policy adopted by the Company and the same is available on the website of the Company on <https://www.mawanafoods.com/>.

During the year, no meeting of the Nomination and Remuneration Committee (NRC) was held.

The composition of the Nomination and Remuneration Committee and the number of meetings attended by the members during the FY 2024-25 is as below:

No Committee Meeting will be held during the year under review:

Director	Executive/ Non-Executive	Independent / Non-Independent	No. of Meetings during the F.Y. 2024-25	
			Held	Attended
Mr. Rajesh Tara*	Non-Executive	Non Independent	Nil	Nil
Mr. Rakesh Kumar Gangwar**	Executive	Non Independent	Nil	Nil
Mr. A.K. Kaul	Non-Executive	Independent	Nil	Nil
Mr. G.R Arora	Non-Executive	Independent	Nil	Nil

\*Mr. Rajesh Tara ceased to be Member of the Committee w.e.f. 31.12.2024

\*\*Mr. Rakesh Kumar Gangwar became Member of the Committee w.e.f. 01.01.2025

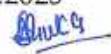
## ACKNOWLEDGMENTS

Your Directors place on record their gratitude to the Central and State Governments, the Company's Bankers for the assistance, co-operation and encouragement extended to the Company and wish to record their sincere thanks and appreciation for the continuing support and unstinting efforts of Vendors, Dealers, Shareholders, Business Associates and Employees in ensuring all round operational performance.

On behalf of the Board of Directors  
For Mawana Foods Private Limited

  
(Arun Kumar Kaul)  
Director  
DIN: 09127653

  
(Rakesh Kumar Gangwar)  
Managing Director  
DIN: 09485856

Place: Gurugram  
Date: 22.05.2025  


Walker Chandiok & Co LLP  
21st Floor, DLF Square  
Jacaranda Marg, DLF Phase II,  
Gurugram - 122 002  
Haryana, India  
T +91 124 462 8099  
F +91 124 462 8001

**Independent Auditor's Report**

**To the Members of Mawana Foods Private Limited**

**Report on the Audit of the Financial Statements**

**Opinion**

1. We have audited the accompanying financial statements of **Mawana Foods Private Limited** ('the Company'), which comprise the Balance Sheet as at 31 March 2025, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2025, and its loss (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

**Basis for Opinion**

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

**Information other than the Financial Statements and Auditor's Report thereon**

4. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Director's report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

**Independent Auditor's Report of even date to the members of Mawana Foods Private Limited, on the financial statements for the year ended 31 March 2025 (Cont'd)**

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

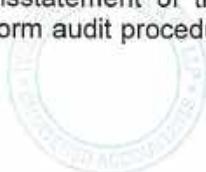
If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of Management for the Financial Statements**

5. The accompanying financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
6. In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
7. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

**Auditor's Responsibilities for the Audit of the Financial Statements**

8. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
9. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those



**Independent Auditor's Report of even date to the members of Mawana Foods Private Limited, on the financial statements for the year ended 31 March 2025 (Cont'd)**

risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

10. 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.

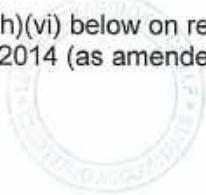
**Report on Other Legal and Regulatory Requirements**

11. As required by section 197(16) of the Act based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.

12. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

13. Further to our comments in Annexure A, as required by section 143(3) of the Act based on our audit, we report, to the extent applicable, that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying financial statements;
- b) Except for the matters stated in paragraph 13(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion, proper



**Independent Auditor's Report of even date to the members of Mawana Foods Private Limited, on the financial statements for the year ended 31 March 2025 (Cont'd)**

books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

- c) The financial statements dealt with by this report are in agreement with the books of account;
- d) In our opinion, the aforesaid financial statements comply with Ind AS specified under section 133 of the Act;
- e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2025 from being appointed as a director in terms of section 164(2) of the Act;
- f) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 13(b) above on reporting under section 143(3)(b) of the Act and paragraph 13(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).
- g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2025 and the operating effectiveness of such controls, refer to our separate report in Annexure B wherein we have expressed an unmodified opinion; and
- h) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company, as detailed in note 27 to the financial statements, has disclosed the impact of pending litigation on its financial position as at 31 March 2025;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2025;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2025;
  - iv.
    - a. The management has represented that, to the best of its knowledge and belief, as disclosed in note 38(v) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entities, including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;



## Walker Chandiok & Co LLP

Independent Auditor's Report of even date to the members of Mawana Foods Private Limited, on the financial statements for the year ended 31 March 2025 (Cont'd)

- b. The management has represented that, to the best of its knowledge and belief, as disclosed in note 38(vi) to the financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

v. The Company has not declared or paid any dividend during the year ended 31 March 2025.

vi. As stated in Note 37 to the financial statements and based on our examination which included test checks, the Company, in respect of financial year commencing on 1 April 2024, has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software except that the audit trail feature was not enabled at the database level for accounting software to log any direct data changes, used for maintenance of all accounting records by the Company. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. Furthermore, except for the instance mentioned above, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

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



**Rohit Arora**  
Partner  
Membership No.: 504774  
UDIN: 25504774BMIDMH3868



**Place:** Gurugram

**Date:** 22 May 2025

**Annexure A referred to in paragraph 12 of the Independent Auditor's Report of even date to the members of Mawana Foods Private Limited on the financial statements for the year ended 31 March 2025**

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i)(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and of right-of-use assets.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The property, plant and equipment and right-of-use assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of physical verification programme adopted by the Company, is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The Company does not own any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee). Accordingly, reporting under clause 3(i)(c) of the Order is not applicable to the Company.
- (d) The Company has adopted cost model for its Property, Plant and Equipment (including right-of-use assets) and intangible assets. Accordingly, reporting under clause 3(i)(d) of the Order is not applicable to the Company.
- (e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.
- (ii)(a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed as compared to book records.
- (b) The Company has not been sanctioned working capital limits by banks or financial institutions on the basis of security of current assets at any point of time during the year. Accordingly, reporting under clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) The Company has not made any investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or any other parties during the year. Accordingly, reporting under clause 3(iii) of the Order is not applicable to the Company.
- (iv) The Company has not entered into any transaction covered under sections 185 and 186 of the Act. Accordingly, reporting under clause 3(iv) of the Order is not applicable to the Company.
- (v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there are no amounts which have been deemed to be deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's products/ services / business activities. Accordingly, reporting under clause 3(vi) of the Order is not applicable.



**Annexure A referred to in Paragraph 13 of the Independent Auditor's Report of even date to the members of Mawana Foods Private Limited on the financial statements for the year ended 31 March 2025 (cont'd)**

(vii)(a) In our opinion, and according to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

Name of the statute	Nature of dues	Gross Amount (Rs. in lakhs)	Amount paid under Protest (Rs. in lakhs)	Period to which amount relates	Forum where dispute is pending
Central Goods & Services Tax Act, 2017	Goods & Services Tax	146.26	15.20	Financial year 2017-18	Assistant Commissioner Officer, Delhi

(viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.

(ix) According to the information and explanations given to us, the Company does not have any loans or other borrowings from any lender. Accordingly, reporting under clause 3(ix) of the Order is not applicable to the Company.

(x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no fraud on the Company has been noticed or reported during the period covered by our audit.

(b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.

(c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.



## Walker Chandiok & Co LLP

**Annexure A referred to in Paragraph 13 of the Independent Auditor's Report of even date to the members of Mawana Foods Private Limited on the financial statements for the year ended 31 March 2025 (cont'd)**

- (xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.
- (xiv)(a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system which is commensurate with the size and nature of its business as required under the provisions of section 138 of the Act.
  - (b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.
- (xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are not applicable to the Company.
- (xvi)(a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a), (b) and (c) of the Order are not applicable to the Company.
  - (b) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any Core Investment Company.
- (xvii) The Company has incurred cash losses in the current financial year and in the immediately preceding financial years amounting to Rs. 14.36 lakhs and Rs. 70.06 lakhs respectively.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information in the standalone financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- (xx) According to the information and explanations given to us, the Company does not meet the criteria as specified under sub-section (1) of section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and according, reporting under clause 3(xx) of the Order is not applicable to the Company.

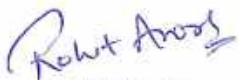


## Walker Chandiok & Co LLP

**Annexure A referred to in Paragraph 13 of the Independent Auditor's Report of even date to the members of Mawana Foods Private Limited on the financial statements for the year ended 31 March 2025 (cont'd)**

(xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

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



**Rohit Arora**  
Partner  
Membership No.: 504774  
UDIN: 25504774BMIDMH3868



**Place:** Gurugram  
**Date:** 22 May 2025

**Annexure B**

**Independent Auditor's Report on the internal financial controls with reference to the standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')**

1. In conjunction with our audit of the financial statements of Mawana Foods Private Limited ('the Company') as at and for the year ended 31 March 2025, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

**Responsibilities of Management and Those Charged with Governance for Internal Financial Controls**

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements**

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

**Meaning of Internal Financial Controls with Reference to Financial Statements**

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance

## Walker Chandiok & Co LLP

Annexure B to the Independent Auditor's Report of even date to the members of Mawana Foods Private Limited on the financial statements for the year ended 31 March 2025

with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls with Reference to Financial Statements**

- Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

- In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2025, based on internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

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



Rohit Arora  
Partner  
Membership No.: 504774  
UDIN: 25504774BMIDMH3868



Place: Gurugram  
Date: 22 May 2025

Particulars	Notes	As at 31 March 2025	As at 31 March 2024
<b>ASSETS</b>			
<b>Non-current assets</b>			
a) Property, plant and equipment	3A	5.64	2.46
b) Right of use assets	3B	15.01	28.96
c) Intangible assets	4	0.02	0.02
d) Non-current tax assets (net)	5	2.21	1.93
e) Other non current assets	5A	15.20	-
<b>Total non-current assets</b>		<b>38.08</b>	<b>33.37</b>
<b>Current assets</b>			
a) Inventories	6	72.74	60.09
b) Financial assets			
i) Trade receivables	7	51.82	111.32
ii) Cash and cash equivalents	8	313.23	292.92
c) Other current assets	9	53.12	39.91
<b>Total current assets</b>		<b>490.91</b>	<b>504.24</b>
<b>Total assets</b>		<b>528.99</b>	<b>537.61</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
a) Equity share capital	10	2,003.69	2,003.69
b) Other equity	11	(1,919.61)	(1,909.79)
<b>Total equity</b>		<b>84.08</b>	<b>93.90</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
a) Financial liabilities			
i) Lease liabilities	12	2.39	17.61
b) Provisions	13	32.17	28.64
<b>Total non-current liabilities</b>		<b>34.56</b>	<b>46.25</b>
<b>Current liabilities</b>			
a) Financial liabilities			
i) Lease liabilities	12	14.36	13.11
ii) Trade payables	14	21.10	16.54
Total outstanding due to micro enterprises and small enterprises		308.24	331.00
Total outstanding dues of creditors other than micro enterprises and small enterprises			
iii) Other financial liabilities	15	48.40	8.37
b) Other current liabilities	16	11.71	22.72
c) Provisions	17	6.54	5.72
<b>Total current liabilities</b>		<b>410.35</b>	<b>397.46</b>
<b>Total liabilities</b>		<b>444.91</b>	<b>443.71</b>
<b>Total equity and liabilities</b>		<b>528.99</b>	<b>537.61</b>

The accompanying notes are an integral part of these financial statements.

This is the Balance Sheet referred to in our report of even date.

For Walker Chandok & Co LLP  
 Chartered Accountants  
 Firm Registration No. 001076N/N500013

Rohit Arora  
 Partner  
 Membership No.504774

Place: Gurugram  
 Date: 22 May 2025



For and on behalf of the Board of Directors of  
 Mawana Foods Private Limited

R.K. Gangwar  
 Managing Director  
 DIN: 094865656

G.R. Arora  
 Director  
 DIN: 09465677

Ashok Kumar Shukla  
 Company Secretary  
 MRN: A29673

Arun Kumar Kaul  
 Director  
 DIN: 09127653

Narender Jain  
 Chief Financial Officer  
 M.No.511778

Place: Gurugram  
 Date : 22 May 2025



SL. No.	Particulars	Notes	For the year ended 31 March 2025	For the year ended 31 March 2024
1	<b>Revenue</b>			
	Revenue from operations	17	3,633.44	3,403.41
	Other income	18	23.44	39.82
	<b>Total income</b>		<b>3,656.88</b>	<b>3,443.23</b>
2	<b>Expenses</b>			
	Purchases of stock-in-trade	19	3,075.33	2,893.28
	Changes in inventories of stock-in-trade	20	(12.65)	(22.25)
	Employee benefits expense	21	287.10	297.77
	Finance cost	22	6.86	6.53
	Depreciation and amortisation expense	23	14.99	12.52
	Other expenses	24	295.75	301.11
	<b>Total expenses</b>		<b>3,667.38</b>	<b>3,488.96</b>
3	<b>Loss before tax (1-2)</b>		<b>(10.50)</b>	<b>(45.73)</b>
4	<b>Tax expense</b>	25	-	-
a)	Current tax		-	-
b)	Deferred tax		-	-
	<b>Total tax expense</b>		<b>-</b>	<b>-</b>
5	<b>Loss for the year (3-4)</b>		<b>(10.50)</b>	<b>(45.73)</b>
6	<b>Other comprehensive income</b>			
	Items that will not be reclassified to Profit and Loss			
	-Remeasurement of defined benefit obligations			
	-Income tax relating to items that will not be reclassified to Profit and Loss		(0.68)	(0.13)
	<b>Total other comprehensive income</b>		<b>-</b>	<b>-</b>
7	<b>Total comprehensive Income for the year (5+6)</b>		<b>(0.68)</b>	<b>(0.13)</b>
	<b>(9.82)</b>		<b>(45.60)</b>	
8	<b>Loss per equity share (Basic and Diluted)</b>	26	<b>(0.05)</b>	<b>(0.23)</b>

The accompanying notes are an integral part of these financial statements.

This is the Statement of Profit and Loss referred to in our report of even date.

For Walker Chandiock & Co LLP  
 Chartered Accountants  
 Firm Registration No. 001076N/N500013

*Rohit Arora*  
 Rohit Arora  
 Partner  
 Membership No. 504774

Place: Gurugram  
 Date: 22 May 2025



For and on behalf of the Board of Directors of  
 Mawana Foods Private Limited

*R. K. Gangwar*  
 R. K. Gangwar  
 Managing Director  
 DIN: 09485856

*Arun Kaul*  
 Arun Kumar Kaul  
 Director  
 DIN: 09127653

*G. R. Arora*  
 G. R. Arora  
 Director  
 DIN: 09465677

*Narender Jain*  
 Narender Jain  
 Chief Financial Officer  
 M.No.511778

*Ashok Kumar Shukla*  
 Ashok Kumar Shukla  
 Company Secretary  
 MRN: A29673

Place: Gurugram  
 Date: 22 May 2025



Particulars	Year ended 31 March 2025	Year ended 31 March 2024
<b>A. Cash flow from operating activities</b>		
Loss before tax	(10.50)	(45.73)
Adjustment for		
Depreciation and amortisation expense	14.99	12.52
Finance cost	8.86	6.53
Liabilities written back	(8.86)	(27.38)
Gain on lease modification	(0.78)	-
Loss on disposal of property, plant and equipment	0.66	0.04
Interest income	(15.80)	(12.36)
<b>Operating loss before working capital changes</b>	<b>(11.43)</b>	<b>(66.38)</b>
Adjustment for changes in working capital		
Movement in trade receivables	59.50	(37.47)
Movement in inventories	(13.31)	(22.29)
Movement in other assets	(28.41)	10.18
Movement in trade payables	(11.34)	126.00
Movement in other liabilities	29.02	5.84
Movement in provisions	5.03	(0.51)
<b>Cash generated from operations</b>	<b>29.06</b>	<b>15.38</b>
Income taxes paid (Net of refund)	0.28	0.18
<b>Net cash generated from operations (A)</b>	<b>28.78</b>	<b>15.20</b>
<b>B. Cash flow from investing activities</b>		
Purchase of property, plant and equipment	(5.56)	(0.59)
Interest income	15.80	12.36
<b>Net cash generated from investing activities (B)</b>	<b>10.24</b>	<b>11.77</b>
<b>C. Cash flow used in financing activities</b>		
Interest paid	(6.64)	(6.32)
Payment of lease liabilities	(12.09)	(9.72)
<b>Net cash used in financing activities (C)</b>	<b>(18.73)</b>	<b>(16.04)</b>
<b>D. Net decrease in cash and cash equivalents (A+B+C)</b>	<b>20.31</b>	<b>10.93</b>
<b>E. Cash and cash equivalents at the beginning of the year</b>	<b>292.92</b>	<b>281.99</b>
Cash and cash equivalents at the end of the year (refer note 8)	313.23	292.92
	<b>20.31</b>	<b>10.93</b>

**Note:** This cash flow statement has been presented in accordance with "Indirect method" as set out in Indian Accounting Standard - 7 'Statement of cash flows' as specified in Indian Accounting Standard Rules, 2015 (as amended)

The accompanying notes are an integral part of these financial statements.

This is the Cash Flow Statement referred to in our report of even date.

For Walker Chandiok & Co LLP  
 Chartered Accountants  
 Firm Registration number 001076N/N500013

*Rohit Arora*  
 Rohit Arora  
 Partner  
 Membership No. 504774

Place: Gurugram  
 Date: 22 May 2025



For and on behalf of the Board of Directors of  
 Mawana Foods Private Limited

*R. K. Gangwar*  
 R. K. Gangwar  
 Managing Director  
 DIN: 09485856

*Arun K. Kaul*  
 Arun Kumar Kaul  
 Director  
 DIN: 09127653

*G. R. Arora*  
 G. R. Arora  
 Director  
 DIN: 09465677

*N. Jain*  
 Narendar Jain  
 Chief Financial Officer  
 M.No 511778

*Ashok Kumar Shukla*  
 Ashok Kumar Shukla  
 Company Secretary  
 MRN : A29673

Place: Gurugram  
 Date: 22 May 2025



**A. Equity share capital\***

Particulars	Opening balance as at 01 April 2023	Changes in equity share capital during the year	Balance as at 31 March 2024	Changes in equity share capital during the year	Balance as at 31 March 2025
Equity share capital	2,003.69	-	2,003.69	-	2,003.69
Number of equity shares	20,036,851	-	20,036,851	-	20,036,851

**B. Other equity\*\***

Particulars	Reserves and surplus	Total
	Retained earnings	Securities premium
Balance as at 31 March 2023	(4,108.51)	2,244.32
Loss for the year	(45.73)	-
Re-measurement gains on defined benefit plans	0.13	-
Balance as at 31 March 2024	(4,154.11)	2,244.32
Loss for the year	(10.50)	-
Re-measurement gains on defined benefit plans	0.68	-
Balance as at 31 March 2025	(4,163.93)	2,244.32
		(1,919.61)

\*Refer note 10 for details

\*\*Refer note 11 for details

The accompanying notes are an integral part of these financial statements.

This is the Statement of Change in Equity referred to in our report of even date

For Walker Chandlok & Co LLP  
 Chartered Accountants  
 Firm Registration No. 001076N/N500013

*Rohit Arora*  
 Rohit Arora  
 Partner  
 Membership No.504774

Place: Gurugram  
 Date: 22 May 2025



For and on behalf of the Board of Directors of  
 Mawana Foods Private Limited

*R. K. Gangwar*  
 R. K. Gangwar  
 Managing Director  
 DIN: 09485856

*G. R. Arora*  
 G. R. Arora  
 Director  
 DIN: 09465677

*Ashok Kumar Shukla*  
 Ashok Kumar Shukla  
 Company Secretary  
 MRN : A29673

*Arun Kumar Kaul*  
 Arun Kumar Kaul  
 Director  
 DIN 09127653

*Narender Jain*  
 Narender Jain  
 Chief Financial Officer  
 M.No.511778

Place: Gurugram  
 Date: 22 May 2025



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## 1. Corporate information

Mawana Foods Private Limited is a Private Limited Company ("the Company") incorporated on 03 January 2006, formerly known as Mawana Foods Limited and Siel Edible Oils Limited. The Company is primarily engaged in the business of trading of sugar under the brand name "Mawana Sugar".

## 2. General information and compliance with Ind AS

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs ('MCA') under section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Act.

The financial statements for the year ended 31 March 2025 were authorized and approved for issue by the Board of Directors on 22 May 2025.

### 2A. Material accounting policies

#### a) Basis of preparation

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 read with Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time), Companies (Indian Accounting Standards) (Amendment) Rules, 2016 and the relevant provisions of the Act.

The financial statements of the Company have been prepared on a historical cost convention except for certain financial instruments which are measured at fair value.

The Company has uniformly applied the accounting policies for the periods presented except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The financial statements are presented in INR and all values are rounded to the nearest lacs, except wherever otherwise indicated.

#### b) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current and non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.



Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

**c) Revenue recognition**

The Company has applied Ind AS 115 "Revenue from Contracts with Customers". Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties, if any. The Company recognizes revenue when it transfers control over a product or service to a customer.

To determine whether to recognize revenue, the Company follows a 5-step process:

1. Identifying the contract with a customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to the performance obligations
5. Recognising revenue when/as performance obligation(s) are satisfied.

***Identifying the performance obligations***

Under Ind AS 115, the Company must evaluate the separability of the promised goods or services based on whether they are 'distinct'. A promised good or service is 'distinct' if both:

- the customer benefits from the item either on its own or together with other readily available resources, and
- it is 'separately identifiable' (i.e. the Company does not provide a significant service integrating, modifying or customizing it).

***Determining the transaction price***

Under Ind AS 115, the Company shall consider the terms of the contract and its customary business practices to determine the transaction price. The transaction price excludes amounts collected on behalf of third parties. The consideration promised include fixed amounts, variable amounts, or both.

Allocating the transaction price to the performance obligations

The transaction price is allocated to the separately identifiable performance obligations on the basis of their standalone selling price. For services that are not provided separately, the standalone selling price is estimated using adjusted market assessment approach.

Recognising revenue when/as performance obligation(s) are satisfied.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made.

Revenue is recognised either at a point in time or over time, when (or as) the Company satisfies performance obligations by transferring the promised goods or services to its customers.

***Sale of traded goods:***

For transfer of goods, the Company recognizes revenue when the customers obtain the control of goods. This usually happens when the customer gains right to direct the use of and obtains substantially all benefits from the goods. For the goods sold, the Company receives amount majorly in advance from the customers and therefore, there is no significant financing component involved.

Revenue is measured at the fair value of the consideration received or receivable. Revenue excludes sales tax/value added tax/service tax/goods and service tax.

The specific recognition criteria described above must also be met before revenue is recognized:



**d) Taxes**

Income tax comprises of current and deferred tax. It is recognised in Statement of Profit and Loss except to the extent that is related to an item recognised directly in equity or other comprehensive income.

**Current income tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the country where the Company operates and generates taxable income. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

**Deferred tax**

Deferred tax is provided using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred income tax liabilities are recognised for all taxable temporary differences. Deferred income tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised. Unrecognised deferred income tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

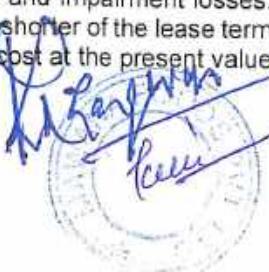
**e) Leases**

The Company's lease asset class primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (i) the contract involves the use of an identified asset.
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and;
- (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases.

The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. The lease liability is initially measured at amortized cost at the present value



of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

**f) Inventories**

Traded goods are valued at lower of cost and net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost of inventories is computed on a weighted average basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale.

**g) Post-employment and other employee benefits**

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no statutory nor contractual obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Gratuity liability being a defined benefit obligation is provided for on the basis of actuarial valuation on projected unit credit method made at the end of each financial year. Actuarial gains and losses for defined benefit plan are recognized in full in the year in which they occur in the statement of profit and loss.

Measurements, comprising of actuarial gains and losses are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Actuarial gains/losses are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the consolidated statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains and losses are recognized in full in the period in which they occur in the statement of profit and loss.

**h) Financial instruments**

Financial assets and financial liabilities are recognized when Company becomes a party to the contractual provisions of the instruments.



Financial assets and financial liabilities are initially measured at fair value using best estimates. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are recognised immediately in the statement of the profit and loss.

### **Financial assets**

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets. There are no financial assets at fair value through profit and loss (FVTPL) or through other comprehensive income (FVTOCI).

#### **Amortized cost**

A financial asset shall be measured at amortised cost using effective interest rates if both of the following conditions are met:

- financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

#### **Impairment of financial asset**

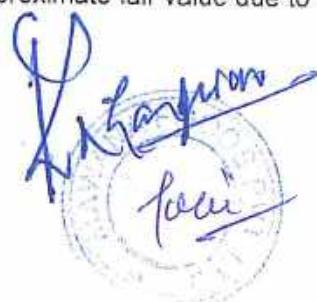
The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortized cost.

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 31 details how the Company determines whether there has been a significant increase in credit risk. For trade receivables only, the Company applies the simplified approach required by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

#### **Financial liabilities**

Financial liabilities are subsequently carried at amortised cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.



## **Derecognition of financial instruments**

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for de-recognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognised from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

### **i) Earnings per share**

Basic Earnings per Share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effect of all dilutive potential equity shares.

### **j) Cash and cash equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

### **k) Provisions, contingent liabilities and contingent assets**

#### **Provisions**

Provisions are recognized when present obligations as a result of a past event will probably lead to an outflow of economic resources from the Company and amounts can be estimated reliably. Timing or amount of the outflow may still be uncertain. A present obligation arises from the presence of a legal or constructive commitment that has resulted from past events. Provisions are not recognized for future operating losses. Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. Provisions are discounted to their present values, where the time value of money is material. Any reimbursement that the Company can be virtually certain to collect from a third party with respect to the obligation is recognized as a separate asset. However, this asset may not exceed the amount of the related provision. All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

#### **Contingent liabilities**

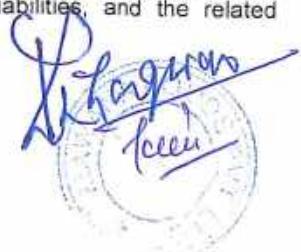
In those cases, where the possible outflow of economic resources as a result of present obligations is considered not probable or where the amount of the obligation cannot be determined reliably, no liability is recognized.

#### **Contingent assets**

Possible inflows of economic benefits to the Company that do not yet meet the recognition criteria of an asset are considered contingent assets.

### **l) Significant accounting judgements, estimates and assumptions**

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the related disclosures.



## **Significant management judgements**

The following are significant management judgements in applying the accounting policies of the Company that have the most significant effect on the financial statements.

*Recognition of deferred tax assets* – The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized.

*Contingent liabilities* – At each balance sheet date basis the management judgement, changes in facts and legal aspects, the Group assesses the requirement of provisions against the pending litigations. However, the actual future outcome may be different from such judgement.

## **Significant estimates**

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be different.

*Impairment of financial assets* – At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding receivables and advances.

## **2B. Changes in accounting policies**

There have been certain changes in the Indian Accounting Standards (Ind AS) during the current financial year. However, these does not have any material impact on the accounting policies followed by the Company during the year.

## **2C. Amendment to Accounting Standards (Ind AS) issued but not yet effective**

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. MCA, vide its circular dated 31 March 2025 has issued Companies (Indian Accounting Standards) Amendment Rules, 2023 to further amend the Companies (Indian Accounting Standards) Rules, 2015. These amendments does not have any material impacts on the financial statements of the Company.



**Mawana Foods Private Limited**

**Summary of material accounting policies and other explanatory information for the year ended 31 March 2025**

**CIN: U74899DL2006PTC144412**

*(Unless otherwise stated, all amounts are in ₹ lacs)*

**Note 3A : Property, plant and equipment**

Particulars	Office equipments	Plant and Machinery	Computer equipments	Furniture and fixtures	Total
<b>Gross carrying amount</b>					
Balance as at 31 March 2023	1.70	4.36	15.44	0.23	21.73
Additions	-	-	0.59	-	0.59
Disposal/Adjustments	0.98	-	-	0.23	1.21
Balance as at 31 March 2024	0.72	4.36	16.03	-	21.11
Additions	0.33	-	5.23	-	5.56
Disposal/Adjustments	-	2.06	12.34	-	14.40
Balance as at 31 March 2025	1.05	2.30	8.92	-	12.27
<b>Accumulated depreciation</b>					
Balance as at 31 March 2023	1.41	2.49	14.58	0.21	18.79
Depreciation charge for the year	0.09	0.83	0.11	0.00	1.03
Reversal of disposal	0.96	-	-	0.21	1.17
Balance as at 31 March 2024	0.54	3.32	14.79	-	18.65
Depreciation charge for the year	0.26	0.58	0.87	-	1.72
Reversal of disposal	-	1.96	11.78	-	13.74
Balance as at 31 March 2025	0.80	1.94	3.88	-	6.63
<b>Net carrying amount</b>					
Balance as at 31 March 2024	0.18	1.04	1.24	-	2.46
Balance as at 31 March 2025	0.25	0.35	5.04	-	5.64

**Note:**

The Company has not revalued any of its Property, plant and equipment during the financial year ended on 31 March 2025 and 31 March 2024.

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*V. V. Khangane*

**Note 3B: Right of use assets**

Particulars	As at 31 March 2025	As at 31 March 2024
a) <b>Right of use assets</b>		
Net carrying amount at the end of the year	15.01	28.96
b) <b>Lease Liabilities</b>		
Non-current	2.39	17.61
Current (refer note 34)	14.36	13.11
	<b>15.75</b>	<b>30.72</b>
c) <b>Lease related disclosures</b>		

The Company has leases mainly for the land and buildings. With the exception of short-term leases, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. There are no variable lease payments included in the agreement.

**i. Extension and termination options**

Extension and termination options are included in all leases. These terms are used to maximise operational flexibility in terms of managing contracts.

**ii. Lease payments not included in measurement of lease liability**

The Company has elected not to recognise a lease liability for short term leases (leases of expected term of 12 months or less). Payments made under such leases are expensed on a straight-line basis. The expense relating to payments not included in the measurement of the lease liability is as follows:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Amount of leases which are for short term of 12 months or less	10.80	12.92

**iii. The following are amounts recognised in profit or loss with respect to leasing arrangements:**

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Amortisation on right of use assets	13.27	11.49
Interest expense on lease liabilities	2.27	2.89

**iv. Total cash outflow in respect of leases during the year amounts to ₹ 12.09 lacs. (Previous Year ₹ 9.72 lacs)****v. Maturity of lease liabilities**

Refer Note 31(b) for maturity of lease liabilities

vi. There are no lease covenants for the leases entered by the Company.

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Mawana Foods Private Limited

Summary of material accounting policies and other explanatory information for the year ended 31 March 2025

CIN: U74899DL2006PTC144412

(Unless otherwise stated, all amounts are in ₹ lacs)

Note 4 : Intangible assets

Particulars

	Software	Total
<b>Gross carrying amount</b>		
Balance as at 31 March 2023	1.37	1.37
Additions	-	-
Disposal/Adjustments	-	-
<b>Balance as at 31 March 2024</b>	<b>1.37</b>	<b>1.37</b>
Additions	-	-
Disposal/Adjustments	-	-
<b>Balance as at 31 March 2025</b>	<b>1.37</b>	<b>1.37</b>
<b>Accumulated Amortisation</b>		
Balance as at 31 March 2023	1.35	1.35
Amortisation for the year	-	-
<b>Balance as at 31 March 2024</b>	<b>1.35</b>	<b>1.35</b>
Amortisation for the year	-	-
<b>Balance as at 31 March 2025</b>	<b>1.35</b>	<b>1.35</b>
<b>Net carrying amount</b>		
Balance as at 31 March 2024	0.02	0.02
Balance as at 31 March 2025	0.02	0.02

Note:  
A. There is no pledge on the property, plant and equipment of the Company.

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Particulars	As at 31 March 2025	As at 31 March 2024					
<b>Note 5 : Non-current tax assets (net)</b>							
Advance Income Tax							
- Considered good	2.21	1.93					
- Considered doubtful	11.70	11.70					
Less: Provision for doubtful balances	13.91	13.63					
	(11.70)	(11.70)					
	2.21	1.93					
<b>Note 5A : Other non current assets</b>							
Other advances	15.20	-					
	15.20	-					
<b>Note 6 : Inventories</b>							
Stock-in-trade *	72.74	60.09					
	72.74	60.09					
* Inventories are net of provision for damage, near expiry and expired stock of ₹ 2.06 lacs (Previous year ₹ 0.55 lacs).							
<b>Note 7 : Trade Receivables</b>							
Trade receivable - Considered good (unsecured)	51.82	111.32					
Trade receivable - Credit impaired	104.80	104.80					
Less: Expected Credit Loss allowance	156.62	216.12					
	(104.80)	(104.80)					
	51.82	111.32					
<b>Expected Credit Losses</b>							
Opening Provision	104.80	110.16					
Add: Provided during the year/(Reversals)	-	(5.36)					
Closing Provision	104.80	104.80					
Particulars	Not due	Outstanding for following periods from due date of payment					
		Less than 6 months 6 months 1-2 years 2-3 years More than 3 years					
Particulars	Not due	Outstanding for following periods from due date of payment					
		Less than 6 months 6 months 1-2 years 2-3 years More than 3 years					
<b>As at 31 March 2025</b>							
(i) Undisputed Trade Receivables-considered good	50.84	0.37	0.61	-	-	51.82	
(ii) Undisputed Trade Receivables-which have significant increase in credit risk	-	-	-	-	-	-	
(iii) Undisputed Trade Receivables-credit impaired	-	-	-	-	-	-	
(iv) Disputed Trade Receivables-considered good	-	-	-	-	-	104.80	
(v) Disputed Trade Receivables-which have significant increase in credit risk	-	-	-	-	-	-	
(vi) Disputed Trade Receivables-credit impaired	-	-	-	-	-	-	
<b>Total</b>	<b>50.84</b>	<b>0.37</b>	<b>0.61</b>	<b>-</b>	<b>-</b>	<b>104.80</b>	
						156.62	
<b>Trade Receivable Ageing Schedule</b>							
Particulars	Not due	Outstanding for following periods from due date of payment					
		Less than 6 months 6 months 1-2 years 2-3 years More than 3 years					
<b>As at 31 March 2024</b>							
(i) Undisputed Trade Receivables-considered good	107.22	4.09	0.01	-	-	-	111.32
(ii) Undisputed Trade Receivables-which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables-credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables-considered good	-	-	-	-	-	104.80	104.80
(v) Disputed Trade Receivables-which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables-credit impaired	-	-	-	-	-	-	-
<b>Total</b>	<b>107.22</b>	<b>4.09</b>	<b>0.01</b>	<b>-</b>	<b>-</b>	<b>104.80</b>	<b>216.12</b>
<b>Particulars</b>							
<b>Note 8 : Cash and cash equivalents</b>							
Balance with banks						22.18	15.96
Deposits with original maturity of less than three months						291.05	276.96
						313.23	292.92
<b>Note 9 : Other current assets</b>							
Balance with government authorities*						47.85	33.75
- Considered good						-	-
- Considered doubtful						47.85	33.75
Less: Provision for doubtful balances						47.85	33.75
Prepaid expenses						47.85	33.75
Advance to suppliers						4.47	4.74
						0.80	1.42
						53.12	39.91

\*A sum of ₹ 47.85 lacs (31 March 2024: ₹ 33.75 lacs), has been assessed as recoverable by the management based on utilisation against future sales orders, based on management approved projections.

*S. Charyan*  
*Reed*

Particulars	As at 31 March 2025		As at 31 March 2024	
	Number	Amount	Number	Amount
<b>Note 10 : Equity</b>				
<b>a) Share Capital</b>				
i) Authorised share capital				
Equity Shares of ₹ 10/- each	25,000,000	2,500.00	25,000,000	2,500.00
ii) Issued, subscribed and fully paid up	25,000,000	2,500.00	25,000,000	2,500.00
Equity Shares of ₹ 10/- each	20,036,851	2,003.69	20,036,851	2,003.69
iii) Reconciliation of equity share capital	20,036,851	2,003.69	20,036,851	2,003.69
Balance at the beginning of the year				
issued during the year	20,036,851	2,003.69	20,036,851	2,003.69
Shares outstanding at the end of the year	20,036,851	2,003.69	20,036,851	2,003.69
iv) Rights, preferences and restrictions attached to equity shares				
The Company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders.				
The Company did not declare any dividend on equity shares for the year ended 31 March 2025 and 31 March 2024. The dividend if proposed by the Board of Directors, is subject to the approval of shareholders in the Annual General Meeting, except interim dividend.				

**v) Details of shareholders holding more than 5% of shares in Company**

Particulars	As at 31 March 2025		As at 31 March 2024	
	No. of shares	% of Holding	No. of shares	% of Holding
Usha International Limited*				
Mawana Sugars Limited**				
<b>Total</b>	20,036,851	100.00%	13,277,050	66.26%
	20,036,851	100%	6,759,801	33.74%
			20,036,851	100%

\*(Including six equity shares held by nominee shareholder. The beneficial interest rests with Usha International Limited)

\*\*(Including one equity shares held by nominee shareholder. The beneficial interest rest with Mawana sugars Limited).

As per the records of the Company, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding pattern represents both legal and beneficial ownership of shares.

**vi) Details of Shares held by Holding Company**

Name of the Holding Company	As at 31 March 2025		As at 31 March 2024	
	No. of shares	% of Holding	No. of shares	% of Holding
Usha International Limited*				
Mawana Sugars Limited**				
<b>Total</b>	20,036,851	100.00%	13,277,050	66.26%
	20,036,851	100.00%	13,277,050	66.26%

\*(Including six equity shares held by nominee shareholder. The beneficial interest rest with Usha International Limited)

\*\*(Including one equity shares held by nominee shareholder. The beneficial interest rest with Mawana sugars Limited).

**vii) Details of shareholding of promoters:**

Particulars	No. of shares as on 31 March 2024	Paid up value per share	Balance as at 31 March 2024	Changes in equity share capital during the year	Balance as at 31 March 2025
Usha International Limited*	13,277,050	10	1,327.71	(1,327.71)	-
Mawana Sugars Limited**	6,759,801	10	675.98	1,327.71	2,003.69
<b>Total</b>	20,036,851		2,003.69	-	2,003.69

\*(Including six equity shares held by nominee shareholder. The beneficial interest rest with Usha International Limited)

\*\*(Including one equity shares held by nominee shareholder. The beneficial interest rest with Mawana sugars Limited).

**viii) Shares reserved for issue under options**

The Company has not reserved any shares for issuance under options.

**ix) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding 31 March 2025.**

The Company has not issued bonus shares, equity shares for consideration other than cash and also no shares have been bought back during the period of five years immediately preceding the reporting date.

Particulars	As at 31 March 2025		As at 31 March 2024	
<b>Note 11 : Other equity</b>				
Reserves and surplus*				
Security premium reserves			2,244.32	2,244.32
Retained Earnings			(4,163.93)	(4,154.11)
			<b>(1,919.61)</b>	<b>(1,909.79)</b>

\* The movement of the reserves and surplus is presented in the Statement of Changes in Equity.

Nature and description of Reserve and Surplus is as follows:

Security premium reserves

Securities premium reserve represents premium received on issue of shares. The reserve will be utilised in accordance with the provisions of the Companies Act.

Retained Earnings

Comprises of accumulated losses earned by the Company till date and balance of profit and loss at each year end and include the remeasurements, benefits on, defined benefits plans through other comprehensive income.

*Parag Patel*  
*Parag Patel*

**Mawana Foods Private Limited**

Summary of material accounting policies and other explanatory information for the year ended 31 March 2025

CIN: U74899DL2006PTC144412

(Unless otherwise stated, all amounts are in ₹ lacs)

Particulars	As at 31 March 2025	As at 31 March 2024
<b>Note 12 : Lease liabilities*</b>		
Non current		
Lease liabilities	2.39	17.61
Current		
Lease liabilities	2.39	17.61
<i>*Refer Note 3B for further details</i>		
<b>Note 13 : Provisions</b>		
<b>A. Non current</b>		
- Provisions for gratuity (refer note 28 B)	21.21	18.01
- Provisions for compensated absences (refer note 28 C)	10.96	10.63
<b>B. Current</b>		
- Provisions for gratuity (refer note 28 B)	32.17	28.64
- Provisions for compensated absences (refer note 28 C)	4.17	3.35
	2.37	2.37
	6.54	5.72



**Mawana Foods Private Limited**

Summary of material accounting policies and other explanatory information for the year ended 31 March 2025

CIN: U74899DL2006PTC144412

(Unless otherwise stated, all amounts are in ₹ lacs)

**Note 14 : Trade payables**

Total outstanding due to micro enterprises and small enterprises (refer note (A) below)

21.10 16.54

Total outstanding dues of creditors other than micro enterprises and small enterprises

308.24 331.00

**329.34 347.54**

**Trade payables Ageing Schedule**

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>As at 31 March 2025</b>							
Total outstanding dues of Micro enterprises and small enterprises	-	21.10	-	-	-	-	21.10
Total outstanding dues of creditors other than Micro enterprises and small enterprises	71.05	234.35	2.84	-	-	-	308.24
Disputed Dues of Micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed Dues of creditors other than Micro enterprises and small enterprises	-	-	-	-	-	-	-
	<b>71.05</b>	<b>255.45</b>	<b>2.84</b>	-	-	-	<b>329.34</b>

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>As at 31 March 2024</b>							
Total outstanding dues of Micro enterprises and small enterprises	-	16.54	-	-	-	-	16.54
Total outstanding dues of creditors other than Micro enterprises and small enterprises	79.19	229.28	22.53	-	-	-	331.00
Disputed Dues of Micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed Dues of creditors other than Micro enterprises and small enterprises	-	-	-	-	-	-	-
	<b>79.19</b>	<b>245.82</b>	<b>22.53</b>	-	-	-	<b>347.54</b>

Particulars	As at	
	31 March 2025	31 March 2024
<b>Note (A): Detail of dues of Micro and Small Enterprises as defined MSMED Act, 2006, to the extent the Company has received intimation from the 'Supplier' regarding their status under the Act.</b>		
(i) the principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of accounting year - Principal amount remaining unpaid, and	21.10	16.54
- Interest accrued and remaining unpaid	-	-
(ii) the amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(iii) the amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid);	-	-
(iv) The amount of interest accrued and remaining unpaid at the end of accounting year; and	-	-
(v) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	-
	<b>21.10</b>	<b>16.54</b>

1. According to the records of the Company, there are no overdue principal amount/interest payable for delayed payment to such vendors at the balance sheet date. the amount payable to Micro and Small enterprises doesn't include any amount due for period more than the stipulated time prescribed under the MSMED Act, 2006.

Particulars	As at	
	31 March 2025	31 March 2024
<b>Note 15 : Other financial liabilities</b>		
Employee related payables	2.91	2.04
Recovery from ex-employees	32.37	-
Interest accrued	3.52	3.31
Unclaimed credit Balance -Customer	6.57	-
Security deposits	3.03	3.02
	<b>48.40</b>	<b>8.37</b>

**Mawana Foods Private Limited**

**Summary of material accounting policies and other explanatory information for the year 31 March 2025**

**CIN: U74899DL2006PTC144412**

*(Unless otherwise stated, all amounts are in ₹ lacs)*

Particulars	As at 31 March 2025	As at 31 March 2024
<b>Note 16 : Other current liabilities</b>		
Statutory dues payable	6.79	6.37
Contract Liabilities :		
Advance from customers	4.92	16.35
	<u>11.71</u>	<u>22.72</u>
<b>Note 17 : Revenue from operations</b>		
Revenue from sale of traded goods (refer Note below)	3,633.44	3,403.41
	<u>3,633.44</u>	<u>3,403.41</u>
<b>Disaggregation of revenue from operations:</b>		
The table below presents disaggregated revenue from contracts with customers by geography, offerings and sales channels for the business of the Company. The Company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of our revenues and cash flows are effected by industry, market and other economic factors. The management of the Company does not separately review the different sources of revenues for the Company.		
<b>Note:</b>		
<b>A. Revenues by Offerings</b>		
Sale of traded goods	3,633.44	3,403.41
	<u>3,633.44</u>	<u>3,403.41</u>
<b>B. Revenues by products</b>		
Soaps		12.09
Sugar	3,633.44	3,391.32
	<u>3,633.44</u>	<u>3,403.41</u>
<b>C. Revenues disaggregation disclosure as per Ind AS 115</b>		
Performance obligation satisfied at point of time	3,633.44	3,403.41
	<u>3,633.44</u>	<u>3,403.41</u>
<b>D. Reconciliation of revenue from sale of products with the contracted price</b>		
Contracted price	3,656.53	3,454.30
Less: Trade discount, rebate, volume discount, etc	(23.09)	(50.89)
	<u>3,633.44</u>	<u>3,403.41</u>
<b>E. Contract Balances</b>		
Contract liabilities*	4.92	16.35
	<u>4.92</u>	<u>16.35</u>
<i>*The contract liabilities are in form of advance received from customer for which the obligation of supply of goods/service has not been completed as at the year- end.</i>		
<b>Movement in contract assets and contract liabilities</b>		
Opening balance of contract liabilities	16.35	9.45
Addition in balance of contract liabilities for current year	4.92	16.35
Amount of revenue recognised against opening contract liabilities	(16.35)	(9.45)
Closing balance of contract liabilities	<u>4.92</u>	<u>16.35</u>
<b>Note 18 : Other income</b>		
Interest income	15.80	12.36
Excess provisions/liabilities written back	6.86	27.38
Gain on lease modification	0.78	-
Miscellaneous Income	-	0.08
	<u>23.44</u>	<u>39.82</u>
<b>Note 19 :Purchase of stock-in-trade</b>		
Sugar and Soaps	3,075.33	2,893.28
Purchase of stock-in-trade	<u>3,075.33</u>	<u>2,893.28</u>

Particulars	As at 31 March 2025	As at 31 March 2024
<b>Note 20 : Change in inventories of stock-in-trade</b>		
Opening balance (see note- a )	60.09	37.84
Closing balance (see note- a )	72.74	60.09
	<b>(12.65)</b>	<b>(22.25)</b>
<b>Note (a) : Closing balance of stock-in-trade</b>		
Sugar	72.74	60.09
	<b>72.74</b>	<b>60.09</b>
<b>Note 21 : Employee benefits expense</b>		
Salaries, wages and bonus	269.41	277.27
Contribution to provident fund (refer note 28A)	11.30	12.65
Gratuity and compensated absences (refer note 28B and 28C)	5.80	7.12
Staff welfare expenses	0.59	0.73
	<b>287.10</b>	<b>297.77</b>
<b>Note 22 : Finance cost</b>		
Interest expense on leases	2.27	2.89
Interest expense to vendors	4.59	3.64
	<b>6.86</b>	<b>6.53</b>
<b>Note 23 : Depreciation and amortisation expenses</b>		
Depreciation of Property, plant and equipment	1.72	1.03
Depreciation on Right of use asset	13.27	11.49
	<b>14.99</b>	<b>12.52</b>
<b>Note 24 : Other expenses</b>		
Rent*	10.80	12.92
Insurance	9.11	7.53
Legal and professional charges (refer Note (a)) below	17.14	17.21
Auditor Remuneration	14.05	14.10
Directors Sitting Fees	2.20	1.80
Travelling and conveyance	20.44	17.05
Repair & Maintenance	2.91	3.41
Advertising and promotion	34.88	8.34
Selling and distribution	110.37	102.91
Freight and cartage	68.22	66.52
Rates and taxes	1.42	45.27
Miscellaneous	4.21	4.05
	<b>295.75</b>	<b>301.11</b>

\*Expense for the year ended 31 March 2025 pertains to short term leases. Refer note 2(e) for accounting policy on leases.

**Note (a) : Payment to auditors**

Statutory Audit fees (including quarterly reviews)	10.00	10.00
Tax audit fees	1.00	1.00
Fees for other audit related services	2.00	2.00
Reimbursement of expenses	1.05	1.10
<b>Total payments to auditors</b>	<b>14.05</b>	<b>14.10</b>

14.10

Particulars	As at 31 March 2025	As at 31 March 2024
<b>Note 26 : Tax expense</b>		
<b>A Income tax recognised in statement of profit and loss</b>		
Profit and loss section		
Current Income tax		
Current income tax charge		
Deferred tax		
Change in deferred tax balance (net)		
<b>Total tax expense</b>		
<b>B Other Comprehensive Income section</b>		
Deferred tax related to items recognised in OCI during in the year:		
Net gain/(loss) on remeasurement of defined benefit plans		
Income tax charged to OCI	(0.68)	(0.13)
<b>C Reconciliation of Effective tax rate</b>		
Accounting profit before tax		
India's statutory income tax rate	(10.50)	(45.73)
At India's statutory income tax	25.17%	25.17%
(2.64)		(11.51)
Non deductible expenses for tax purpose:		
Non-deductible expenses		
Income not taxable	1.37	1.17
Brought forward business loss adjustment	-	-
Effect of income taxed on lower rate	-	-
Income tax adjustment of earlier years	-	-
Deferred tax not created on current year business loss and other items	1.27	5.57
Others	-	4.76
Income tax expense reported in the statement of profit and loss	-	-
<b>D Reconciliation of deferred tax asset (net)</b>		
Opening balance	-	-
Tax expenses recognised in statement of profit and loss	-	-
Closing balance	-	-
<b>E Unused tax losses</b>		
<b>Brought forward losses</b>		
The Company has not recognised deferred tax assets of ₹ 231.84 lacs (previous year ₹ 235.53 lacs) on the brought forward business losses (including unabsorbed depreciation) and on other items, as it is not reasonably certain that the Company shall generate sufficient taxable business profits in foreseeable future considering the Company had undergone restructuring during the current year for its operations. The unrecognised deferred tax assets expires, if unutilised, based on the year of origination as follows:		
i. Deferred tax asset on carried forward unabsorbed depreciation as at 31 March 2025 not recognised is ₹ 0.65 lacs (previous year ₹ 0.37 lacs).		
ii. Deferred tax asset on carried forward unabsorbed business loss as at 31 March 2025:		
Year of origination	Year of expiry	Amounts in Rs.Lacs
31-Mar-18	31-Mar-26	60.15
31-Mar-19	31-Mar-27	9.37
31-Mar-20	31-Mar-28	110.57
31-Mar-21	31-Mar-29	16.68
31-Mar-23	31-Mar-31	20.29
31-Mar-24	31-Mar-32	6.04
31-Mar-25	31-Mar-33	1.42
		224.53
Deferred tax asset on carried forward unabsorbed business loss as at 31 March 2024:		
Year of origination	Year of expiry	Amounts in Rs.Lacs
31-Mar-18	31-Mar-26	60.15
31-Mar-19	31-Mar-27	9.37
31-Mar-20	31-Mar-28	110.57
31-Mar-21	31-Mar-29	16.68
31-Mar-23	31-Mar-31	20.29
31-Mar-24	31-Mar-32	6.04
		223.11
iii. Deferred tax asset (net) on other items is ₹ 7.31 lacs (previous year ₹ 12.42 lacs).		




**Mawana Foods Private Limited**

Summary of material accounting policies and other explanatory information for the year ended March 31 2025

CIN: U74899DL2006PTC144412

(Unless otherwise stated, all amounts are in ₹ lacs)

Particulars	As at 31 March 2025	As at 31 March 2024
<b>Note 26 : Loss per equity share (Basic and diluted)</b>		
Loss attributable to equity shareholders	(10.50)	(45.73)
Number of equity share outstanding at the beginning	200.37	200.37
Number of equity share outstanding at the end	200.37	200.37
Weighted average number of equity shares for basic and diluted earnings per share	200.37	200.37
(Face value of ₹10 per share)		
Loss per equity share operations (Basic and Diluted)	(0.05)	(0.23)

Particulars	As at 31 March 2025	As at 31 March 2024
<b>Note 27 : Contingent liabilities and commitments</b>		
<b>(a) Claims against the Company not acknowledged as debts</b>		
i) Sale tax matters, disputed and under appeal/rectification (refer note a)	146.26	2.22
	<b>146.26</b>	<b>2.22</b>

a) There is pending litigation for incorrect utilisation of GST input tax credit with the department at various points. The Company is confident about the outcome of the case as they have all required documents in support of availed GST input credit and believes that no adjustments currently required in these financial statements at this stage.

**(b) Capital and other commitments**

There are no capital and other commitment as at the year ended 31st March 2025.

**Note 28 : Employee benefit obligations**

**A. Defined contribution plan**

Particulars	As at 31 March 2025	As at 31 March 2024
Employer's contribution to provident fund	11.30	12.65
	<b>11.30</b>	<b>12.65</b>

**B. Defined Benefit Plans:**

**Gratuity**

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of continuous service get a gratuity on departure at fifteen day salary (last drawn salary) for each completed year of service. The Company provides for liability in its books of accounts based on actuarial valuation. The following table summarise the components of net benefit expenses recognized in statement of profit and loss and the amount recognized in the balance sheet for gratuity benefit:

Particulars	As at 31 March 2025	As at 31 March 2024
<b>a) Amounts recognized in the balance sheet</b>		
Current liability (A)	4.17	3.35
Non-current liability (B)	21.21	18.01
<b>Total (A+B)</b>	<b>25.38</b>	<b>21.36</b>
<b>b) Expenses recognized in other comprehensive income</b>		
Actuarial (gain) net on account of:		
- Actuarial gain for the year on present value of defined benefit obligation	(0.68)	(0.13)
<b>Net gain recognized</b>	<b>(0.68)</b>	<b>(0.13)</b>
<b>c) Expenses recognized in the statement of profit and loss</b>		
Current service cost	3.16	2.93
Interest cost	1.54	1.52
<b>Net benefit expenses</b>	<b>4.70</b>	<b>4.45</b>
Particulars	As at 31 March 2025	As at 31 March 2024
<b>d) Movement in the liability recognized in the balance sheet is as under:</b>		
Present value of defined benefit obligation at the beginning of the year	21.36	20.62
Current service cost	3.16	2.93
Interest cost	1.54	1.52
Actuarial gain (net)	(0.68)	(0.13)
Benefits paid	-	(3.58)
<b>Present value of defined benefit obligation at the end of the year</b>	<b>25.38</b>	<b>21.36</b>

*R. Langston  
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**Mawana Foods Private Limited**

Summary of material accounting policies and other explanatory information for the year ended March 31 2025

CIN: U74899DL2006PTC144412

(Unless otherwise stated, all amounts are in ₹ lacs)

**e) For determination of the liability of the Company the following actuarial assumptions were used:**

Discount rate	6.79%	7.23%
Salary escalation rate	6.00%	6.00%
Retirement age (years)	58.00	58.00
Average past service	8.34	6.70
Average age	42.18	40.59
Average remaining working life	15.82	17.41
Weighted average duration	4.24	4.23
Withdrawal rate		
Upto 30 years	20.00%	20.00%
From 31 to 44 years	25.00%	25.00%
Above 44 years	15.00%	15.00%
Mortality rates inclusive of provision for disability -100% of IALM (2012 –14)		

**f) Maturity profile of defined benefit obligation**

year			
0 to 1 Year	4.17	3.35	
1 to 2 Year	3.68	2.98	
2 to 3 Year	2.99	2.54	
3 to 4 Year	2.48	2.08	
4 to 5 Year	2.01	1.71	
5 to 6 Year	2.75	1.39	
6 Year onwards	7.30	7.31	

**g) Actuarial (gain)/loss arising from experience adjustment**

(0.68) (0.13)

**h) Sensitivity analysis of the defined benefit obligation.****i) Impact of the change in discount rate**

Present value of obligation at the end of the period	25.38	21.36
1) Impact due to increase of 0.50 %	(0.51)	(0.44)
2) Impact due to decrease of 0.50 %	0.53	0.46

**ii) Impact of the change in salary increase**

Present value of obligation at the end of the period	25.38	21.36
1) Impact due to increase of 0.50 %	0.54	0.47
2) Impact due to decrease of 0.50 %	(0.52)	(0.45)

Sensitivity due to mortality and withdrawals are not material. Hence impact if change is not calculated. Sensitivity as to rate of inflation and life expectancy are not applicable being a lump sum benefit on retirement.

**Risk****Salary increase**

Actual salary increases will increase the defined liability. Increase in salary increase rate assumption in future valuation will also increase the liability.

**Discount rate**

Reduction in discount rate in subsequent valuation can increase the liability.

**Mortality and disability**

Actuals deaths and disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

**Withdrawals**

Actuals withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact defined benefit liability.



Parag Patel

**Mawana Foods Private Limited**

Summary of material accounting policies and other explanatory information for the year ended March 31 2025

CIN: U74899DL2006PTC144412

(Unless otherwise stated, all amounts are in ₹ lacs).

**C. Other benefits plans:**

Other benefit plans represents the compensated absences provided to the employees of the Company. The following table summarise the components of net benefit expenses recognized in statement of profit and loss and the amount recognized in the balance sheet for compensated absence benefit:

**a) Amounts recognized in the balance sheet**

Current liability (A)	2.37	2.37
Non-current liability (B)	10.96	10.63
<b>Total ( A+B)</b>	<b>13.33</b>	<b>13.00</b>

**b) Expenses recognized in the statement of profit and loss**

Current service cost	2.89	3.34
Interest cost	0.94	1.06
Actuarial gain for the year on present value of defined benefit obligation	(2.73)	(1.73)
<b>Net benefit expenses</b>	<b>1.10</b>	<b>2.67</b>

**c) Movement in the liability recognized in the balance sheet is as under:**

Present value of defined benefit obligation at the beginning of the year	12.99	14.37
Current service cost	2.89	3.34
Interest cost	0.94	1.06
Actuarial gain	(2.73)	(1.73)
Benefits paid	(0.76)	(4.05)
<b>Present value of defined benefit obligation at the end of the year</b>	<b>13.33</b>	<b>12.99</b>

**d) Actuarial valuation has been done with the following assumptions**

Discount rate	6.79%	7.23%
Expected rate of return on plan assets	NA	NA
Expected rate of increase in compensation levels	6.00%	6.00%
Mortality Rate		Indian Assured Lives
Attrition / Withdrawal rates		Mortality (2012-14)
Upto 30 years	20%	20%
From 31 to 44 years	25%	25%
Above 44 years	15%	15%
<b>e) Expected contribution for the next annual reporting period</b>		
Current service cost	2.45	2.74
Interest cost	0.90	0.94
Expected expense for the next annual reporting period	3.35	3.68

(This space has been intentionally left blank)

**Mawana Foods Private Limited****Summary of material accounting policies and other explanatory information for the year ended 31 March 2025****CIN: U74899DL2006PTC144412***(Unless otherwise stated, all amounts are in ₹ lacs)***Note 29 : Related party disclosures**

In accordance with the requirement of Ind AS 24, the name of the related parties where control exists/able to exercise significant influence along with the aggregate transactions and year end balance with them as identified and certified by the management are given below:

**A. List of related parties****Relationship****Holding Company****Mawana Sugars Limited (w.e.f 01 Jan 2025)****Usha International Limited (till 31 Dec 2024)****Key Management Personnel ("KMP")**

Director

R.K .Gangwar(Appointed w.e.f 1st Jan 2025)

Director

Rajesh Tara(Resigned on 31st Dec 2024)

Director

Arun Kumar Kaul

Director

G.R Arora

Company Secretary

Atreyee Das(Resigned on 31st Dec 2024)

Company Secretary

Ashok Kumar Shukla(Appointed w.e.f. 1st Jan 2025)

Manager

Anurag Mishra (Resigned on 31st Dec 2024)

Chief Financial officer

Narender Jain

**Particulars****31st March 2025****31st March 2024****B. Summary of related party transactions****Holding Company****Mawana Sugars limited****Transactions during the year**

Payment of Interest*	4.59	3.59
Purchase of stock in trade*	3,276.28	3,058.40

**Balance at the year end**

Trade payable	226.65	247.44
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**Company having significant interest in the Company****Usha International Limited**

Management fees*	6.92	6.92
Purchase of goods*	0.30	0.81
Sale of goods*	1.04	1.09
Rent*	12.74	12.74

**Balance at the year end**

Trade payables	1.30	2.31
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**Key Management Personnel****Transactions during the year****Salaries Including bonus**

Narender Jain	38.22	40.76
Anurag Mishra	25.63	25.66

**Director's sitting fees**

Gobind Ram Arora	1.10	0.90
Arun Kumar Kaul	1.10	0.90

**Balance at the year end**

Employee Payables	-	0.01
Narender Jain	0.31	0.03

\* Transactions are inclusive of Goods and Services Tax and accruals



**Note 30 : Fair values disclosures**

**(i) Fair Value Hierarchy**

The following explains the judgements and estimates made in determining the fair values of the financial instruments that are recognized and measured at fair value. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard.

Level 1: quoted prices (unadjusted) in active markets for financial instruments.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: unobservable inputs for the asset or liability.

**Valuation techniques used to determine fair value**

The fair value of the financial instruments are included at the amount that would be received to sell an asset and paid to transfer a liability in an orderly transaction between market participants. The following methods were used to estimate the fair values:-

- Trade receivables, cash and cash equivalents, other bank balances, loans, other current financial assets, trade payables, lease liabilities and other current financial liabilities. Approximate their carrying amounts largely due to the short-term maturities of these instruments.

- There are certain long term security deposits which are measured at amortised cost and fair value of such security deposits approximates the carrying amount.

The carrying amounts of trade payables and other payables, working capital borrowing current loan and cash and cash equivalents are considered to be the same as fair value, due to short term in nature.

None of the financial statement item is valued as per fair valuation through profit and loss and other comprehensive income in 31 March 2025 and 31 March 2024.

**(i) The accounting classification of each category of financial instruments, and their carrying amounts are set as below:**

Particulars	31st March 2025		31st March 2024	
	FVTPL	Amortised cost	FVTPL	Amortised cost
<b>Financial assets</b>				
Trade receivables	-	51.82	-	111.32
Cash and cash equivalents	-	313.23	-	292.92
Other financial assets	-	-	-	-
<b>Total financial assets</b>	-	365.05	-	404.24
<b>Financial liabilities</b>				
Trade payables	-	329.34	-	347.54
Other financial liabilities	-	48.40	-	8.37
Lease liabilities	-	16.74	-	30.72
<b>Total financial liabilities</b>	-	384.48	-	386.63

The management assessed that fair values of cash and cash equivalents, trade receivables, trade payables and other current financial liabilities approximate their respective carrying amounts largely due to the short-term maturities of these instruments. Further, these instruments are valued at level 3 and their fair value are considered to be same as their carrying value, as there is an immaterial change in the lending rate.

Particulars	As at 31st March 2025		
	Level 1	Level 2	Level 3
<b>Financial assets</b>			
Trade receivables	-	-	51.82
Cash and cash equivalents	-	-	313.23
<b>Financial liabilities</b>			
Trade payables	-	-	329.34
Other financial liabilities	-	-	48.40
Lease liabilities	-	-	16.74

Particulars	As at 31st March 2024		
	Level 1	Level 2	Level 3
<b>Financial assets</b>			
Trade receivables	-	-	111.32
Cash and cash equivalents	-	-	292.92
Other financial assets	-	-	-
<b>Financial liabilities</b>			
Trade payables	-	-	347.54
Other financial liabilities	-	-	8.37
Lease liabilities	-	-	30.72



*QD*  
*Mr. Langston*  
*Reed*

**Note 31 : Financial Risk management**

The Company's activities expose it to market risk, liquidity risk and credit risk. The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

Risk	Exposure arising	Measurement	Management
Credit risk	Trade receivables, Ageing analysis cash and cash equivalents, other bank balances and loans measured at amortised cost	Credit limits and regular monitoring and follow ups	
Liquidity risk	Trade payables, Cashflow forecasts lease liabilities and other financial liabilities	Active fund flow planning	
<i>The Company is not exposed to market risks pertaining to foreign exchange or security price risk</i>			

**(a) Credit risk**

*(i) Credit risk management*

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial asset fails to meet its contractual obligations. The Company's exposure to credit risk is influenced mainly by the individual characteristics of each financial asset. The management also considers the factors that may influence the credit risk of its customer base, including the default risk etc. The carrying amounts of financial assets represent the maximum credit risk exposure.

A default on a financial asset is when the counterparty fails to make contractual payments as per agreed terms. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

The Company has a credit risk management policy in place to limit credit losses due to non-performance of financial counterparties and customers. The Company monitors its exposure to credit risk on an ongoing basis.

*Trade receivables*

In respect of trade and other receivables, the Company follows simplified approach that does not require the group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime expected credit loss at each reporting date, right from its initial recognition. However, the Company records full credit loss on the receivables for which the Company had filed litigation.

Lifetime Expected credit loss are the expected credit losses resulting from all possible default events over the expected life of a financial instrument.

*Cash and cash equivalents and other bank balances*

Credit risk related to cash and cash equivalents and bank deposits is considered low because the Company deals with highly rated banks and financial institution.

*Loans and other financial assets*

Company provides for expected credit losses on loans and advances for expectation of any credit losses. In respect of loans, comprising of security deposits, credit risk is considered low. Credit risk related to these financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits. Credit risk is considered low because the Company is in possession of the underlying asset. Further, the Company creates provision by assessing individual financial asset for expectation of any credit loss basis 12 month expected credit loss model. The Company doesn't foresee any loss due to credit risk on the loans and other financial assets.

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*W. K. Chhangwas  
FCC*

**Mawana Foods Private Limited**

Summary of material accounting policies and other explanatory information for the year ended 31 March 2025

CIN: U74899DL2006PTC144412

(Unless otherwise stated, all amounts are in ₹ lacs)

**(ii) Credit risk exposure**

**Provision for expected credit loss :**

The Company provides for expected credit loss based on lifetime expected credit loss mechanism for trade receivables.

The impairment provisions for trade receivables disclosed below are based on assumptions about risk of default and expected credit loss rates. The Company uses judgement in making these assumptions and selecting the inputs based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

**Expected credit loss**

Particulars	1-180 days	180-365 days	Under litigation
Balance as on 31st March 2024	-	104.80	-
Addition	-	-	-
Deletion	-	-	-
Balance as on 31st March 2025	-	104.80	-

**(b) Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due. Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates.

31 March 2025	0-365 days	Above 365 days
<b>Maturity of financial liabilities:</b>		
Trade payables	329.34	-
Other financial liabilities	45.37	3.03
Lease liabilities	14.36	2.39
<b>Total</b>	<b>389.07</b>	<b>5.42</b>
<b>Maturity of financial assets:</b>		
Trade receivables	51.82	-
Cash and cash equivalents	313.23	-
<b>Total</b>	<b>365.05</b>	<b>-</b>
31 March 2024	0-365 days	Above 365 days
<b>Maturity of financial liabilities:</b>		
Trade payables	347.54	-
Other financial liabilities	5.35	3.02
Lease liabilities	13.11	17.61
<b>Total</b>	<b>366.00</b>	<b>20.63</b>
<b>Maturity of financial assets:</b>		
Trade receivables	111.32	-
Cash and cash equivalents	292.92	-
<b>Total</b>	<b>404.24</b>	<b>-</b>

**(c) Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company does not have any borrowings with floating interest rate. The company's investment in fixed deposit deposit carries fixed interest rate. Thus the exposure of the interest rate risk is limited on the Company.

**(d) Foreign exchange risk**

The Company does not have the international transactions and is not exposed to foreign exchange risk arising from foreign currency transactions.

**(e) Other price risk**

The Company is not exposed to price risk, as there is no financial asset or liability which is being fair valued.



**Note 32 : Capital management**

(a) The Company's capital management objective are to ensure Company's ability to continue as a going concern as well to create value for shareholders by facilitating the meeting of long term and short term goals of the Company. The Company determines the amount of capital required on the basis of annual business plan coupled with long term and short term strategic investment and expansion plans. The funding needs are met through cash generated from operations, and borrowings through promoters and bank. The Company monitors the capital structure on the basis of net debt to equity ratio having positive equity for the shareholders. The table below summarises the capital of the Company.

Particulars	As at	
	31 March 2025	31 March 2024
Equity share capital	2,003.69	2,003.69
Other equity	(1,919.61)	(1,909.79)
<b>Total equity (A)</b>	<b>84.08</b>	<b>93.90</b>
Borrowings ( long and short term)	-	-
<b>Total debt (B)</b>	<b>-</b>	<b>-</b>
<b>Net debt to equity ratio (B/A)</b>	<b>-</b>	<b>-</b>

(b) **Dividends**

The Company has not proposed or paid any dividend for the year ended 31st March 2025 (previous year : nil)

**Note 33 : Segment information**

The Company is engaged in the business of trading of consumer products comprising of majorly sugar & soap, which as per IND AS 108 on "Segment Reporting" is considered to be the only reportable business segment as their nature of the products are similar and governed by similar regulatory environment. The Managing Director is the chief operating decision maker and monitors the operating results of its business as whole and one unit for the purpose of making decisions about resource allocation and performance assessment. Accounting policies used for recognition and measurement of performance of segments are consistent with accounting policies applied in the preparation of these financial statements and hence, there is no reportable information.

**Note 34 : Reconciliation of liabilities arising from financing activities:**

Particulars	For the year ended	
	31 March 2025	31 March 2024
<b>Lease liabilities</b>		
Opening balance	-	-
Non cash movement	28.83	9.72
Payment of lease liabilities	(12.09)	(9.72)
<b>Closing balance</b>	<b>16.74</b>	<b>-</b>
<b>Finance cost</b>		
Interest Accrued as at 1 April	3.30	3.09
Expenses incurred	6.86	6.53
Expenses paid	(6.84)	(6.32)
<b>Interest Accrued as at 31 March 2025</b>	<b>3.52</b>	<b>3.39</b>

**Note 35 : Imported and indigenous raw materials, components and spare parts consumed**

Particulars	For the year ended	
	31 March 2025	31 March 2024
<b>Imported</b>		
Stock in trade	-	-
% of total consumption	-	-
<b>Indigenously obtained</b>		
Stock in trade	3,075.33	2,893.28
% of total consumption	100%	100%
<b>Total consumption</b>	<b>3,075.33</b>	<b>2,893.28</b>

Note 36: During the current year, the Company has incurred loss of ₹ 10.50 lacs (previous year: loss of ₹ 45.73 lacs) and has accumulated losses of ₹ 4,163.93 lacs (previous year ₹ 4,154.11 lacs) as at 31 March 2025. The Company, however, has a positive working capital situation as at 31 March 2025. Accordingly, based on the expected growth in the business of the Company, actions taken and proposed by management to improve liquidity and profitability, the fact that the Company has adequate resources to meet short- term fund and operational requirements along with the credit period offered by its vendor (primarily being the Holding Company), the management is assertive of Company's ability to generate sufficient cash flow from operations in the future to enable it to operate as a going concern. Accordingly, the accompanying financial statements have been prepared on a going concern basis and the Company will be able to realize its assets and discharge its liabilities as recorded in these financial statements, in the normal course of business.

Note 37: The Ministry of Corporate Affairs (MCA) has prescribed a requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules, 2021 requiring companies, which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled. The Company has used accounting software for maintaining its books of account which has a feature of audit trail (edit log) facility and the same was enabled at the application level. During the year ended 31 March 2025, the Company has not enabled the feature of recording audit trail (edit log) at the database level for the said accounting software to log any direct data changes. Furthermore, the audit trail has been disabled by the Company as per the statutory requirements for record retention.



Note 38: Other statutory information

- I The Company does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- II The Company does not have any transactions with companies struck off.
- III The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- IV The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- V The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- VI The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- VII The Company has no such transaction which are not recorded in the books of accounts, that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- VIII The company has not been declared a 'Wilful Defaulter' by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidance on wilful defaulter issued by the Reserve Bank of India .
- IX The Company has presented the ratio analysis based on disclosure requirement as per Schedule III (refer note A below).

Note A : Ratio Analysis and its elements

Based on the requirements of Schedule III

Ratio	Numerator	Denominator	Unit	31-Mar-25	31-Mar-24	% Variance	Remarks
Current Ratio	Current asset	Current Liabilities	Times	1.20	1.27	-6% No major variance	
Debt-Equity Ratio	Total Debt	Shareholders equity	Times	0.01	0.02	-45% Renewal of leases in the current year	
Debt Service Coverage Ratio	Net operating Income(EBITDA)	Debt Service	Times	0.60	(1.64)	-136% Due to reduction in the losses during the year.	
Return on Equity Ratio	Net Income	Average shareholders equity	%	(0.12)	(0.49)	-74% Due to losses incurred during the year.	
Inventory turnover ratio	Closing stock	COGS	Times	8.67	7.64	13% No major variance	
Trade Receivables turnover ratio	Debtors	Sales	Times	5.21	11.94	-56% Due to increase in the revenue during the year and reduction in the trade receivables.	
Trade payables turnover ratio	Average Creditors	COGS	Times	40.33	37.56	7% No major variance	
Net capital turnover ratio	Annual Sales	Working capital	Times	45.10	31.87	42% Due to increase in revenue during the year.	
Net profit ratio	Net Profit	Annual Sales	%	(0.00)	(0.01)	-80% Due to increase in revenue during the year.	
Return on Capital employed	EBIT	Capital Employed	%	(0.03)	(0.28)	-89% Due to increase in revenue during the year.	
Return on investment	Net Return on Investment	Investments made	%	NA	NA	NA No major variance	

Notes:

1. Total debts consists of borrowings and lease liabilities.
2. Earning availables for debt services=profit for the year + depreciation, amortization and impairment + finance cost.
3. Debt service = interest + payment for lease liabilities.
4. Net Profit = Profit after tax + Other comprehensive income (Loss) for the year

Schedule III require explanation where the change in the ratio is more than 25% as compared to the preceding year. Accordingly, remarks are given.

Mawana Foods Private Limited

Summary of material accounting policies and other explanatory information for the year ended 31 March 2025

CIN: U74899DL2006PTC144412

(Unless otherwise stated, all amounts are in ₹ lacs)

Note 39: The previous year numbers have been regrouped/ reclassified wherever necessary to conform to current year presentation.

This is the summary of material accounting policies and other explanatory information referred to in our report of even date.

For Walker Chandio & Co LLP.  
Chartered Accountants  
Firm Registration No. 001076N/N500013

*Rohit Arora*  
Rohit Arora  
Partner  
Membership No.504774

Place: Gurugram  
Date: 22 May 2025



For and on behalf of the Board of Directors of  
Mawana Foods Private Limited

*R. K. Gangwani*  
R. K. Gangwani  
Managing Director  
DIN: 09485856

*G. R. Arora*  
G. R. Arora  
Director  
DIN: 09465677

*Ashok Kumar Shukla*  
Ashok Kumar Shukla  
Company Secretary  
MRN: A29673

Place: Gurugram  
Date: 22 May 2025

*Arun Kumar Kaul*  
Arun Kumar Kaul  
Director  
DIN: 09127653

*Narendra Jain*  
Narendra Jain  
Chief Financial Officer  
M.No.511778



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**Walker Chandiok & Co LLP**

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Gurugram - 122 002  
Haryana, India

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**Independent Auditor's Review Report on Unaudited Financial Information of the Company  
for the period ended 30 September 2025**

**To Board of Directors of Mawana Foods Private Limited**

**Introduction**

1. We have reviewed the accompanying statement of unaudited financial information ('the Statement') of Mawana Foods Private Limited ('the Company') for the quarter and six-month period ended 30 September 2025, prepared by the Company's management, pursuant to the requirements of circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations'), solely to assist the management of the Mawana Sugars Limited, the Holding Company in the preparation of its consolidated financial results for the quarter and six-month period ended 30 September 2025 pursuant to the requirements of Regulation 33 of the Listing Regulations, including relevant circulars issued by the SEBI from time to time. The Statement is the responsibility of the Company's management and has been approved by the Company's Board of Directors. Our responsibility is to express a conclusion on the Statement based on our review of the Statement, which has been prepared by the management in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under section 133 of the Companies Act, 2013 (the 'Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the Listing Regulations, including relevant circulars issued by the SEBI from time to time, which is applicable to the Holding Company.

**Scope of Review**

2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

# Walker Chandiok & Co LLP

## Independent Auditor's Review Report on Unaudited Financial Information of the Company for the period ended 30 September 2025 (cont'd)

### Conclusion

3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under section 133 of the Act, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the Listing Regulations, which is applicable to the Holding Company as specified in paragraph 1 above, including the manner in which it is to be disclosed, or that it contains any material misstatement.

### Emphasis of Matter

4. We draw attention to the Note 4 to the accompanying financial results, which describes that the Board of Directors of the Company in its meeting held on 08 June 2025 has approved the amalgamation of the Company with Mawana Sugar Limited, the Holding Company on a going concern basis, wherein upon the scheme becoming effective, the Company shall stand dissolved without further process of winding up. The Company is currently in the process of obtaining regulatory approvals. Our conclusion is not modified in respect of this matter.

### Restriction on distribution or use

5. The Statement has been prepared by the Company's Management solely to assist the management of the Holding Company in the preparation of its consolidated financial results for the quarter and six-month period ended 30 September 2025 pursuant to the requirements of Regulation 33 of the Listing Regulations, including relevant circulars issued by the SEBI from time to time and therefore, it may not be suitable for other purpose. This review report is issued solely for the aforementioned purpose, and accordingly should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. Further, we do not accept or assume any liability or any duty of care for any other purpose for which or to any other person to whom this review report is shown or into whose hands it may come without our prior consent in writing.

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

**Rohit Arora**  
Partner  
Membership No.: 504774  
UDIN: 25504774BMIDUG3087

**Place:** Gurugram  
**Date:** 30 October 2025

Chartered Accountants

**MAWANA FOODS PRIVATE LIMITED**

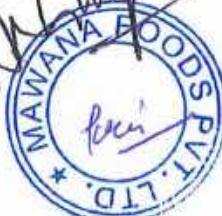
5th Floor, Kirti Mahal, 19 Rajendra Place, New Delhi-110125, CIN: U74899DL2006PTC144412, Email: care@mawanafoods.com,  
website: www.mawanafoods.com  
Tel.: +91-11-25739103, Fax: +91-11-25743659

**STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE  
QUARTER AND SIX MONTHS ENDED 30 SEPTEMBER 2025**

(₹ in lakhs except as stated otherwise)

S. No.	Particulars	Quarter ended			Six Months ended		Year ended
		30-09-2025	30-06-2025	30-09-2024	30-09-2025	30-09-2024	31-03-2025
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1.	<b>Income</b>						
(a)	Revenue from operations	1,072.52	990.94	967.24	2,063.46	1,727.71	3,633.44
(b)	Other income	1.60	29.14	4.01	30.73	8.17	23.44
	<b>Total income</b>	<b>1,074.12</b>	<b>1,020.08</b>	<b>971.25</b>	<b>2,094.19</b>	<b>1,735.88</b>	<b>3,656.88</b>
2.	<b>Expenses</b>						
(a)	Purchase of stock-in-trade	878.35	844.21	815.06	1,722.56	1,471.60	3,075.33
(b)	Changes in inventories of finished goods, work-in-progress and stock-in-trade	24.00	(4.57)	(1.01)	19.43	(19.96)	(12.65)
(c)	Employee benefits expenses	66.10	75.48	72.98	141.57	141.57	287.10
(d)	Finance costs	0.40	1.34	1.41	1.74	4.08	6.86
(e)	Depreciation and amortisation expense	3.43	3.86	3.65	7.29	7.27	14.99
(f)	Other expenses	79.30	87.53	75.81	166.83	146.05	295.75
	<b>Total expenses</b>	<b>1,051.58</b>	<b>1,007.85</b>	<b>967.90</b>	<b>2,059.42</b>	<b>1,750.61</b>	<b>3,667.38</b>
3.	<b>Profit / (Loss) before tax (1-2)</b>	<b>22.54</b>	<b>12.23</b>	<b>3.35</b>	<b>34.77</b>	<b>(14.73)</b>	<b>(10.50)</b>
4.	<b>Tax expense</b>						
(a)	Current tax	-	-	-	-	-	-
(b)	Adjustment related to earlier years	-	-	-	-	-	-
(c)	Deferred tax	-	-	-	-	-	-
	<b>Total tax expense</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
5.	<b>Profit / (Loss) after tax (3-4)</b>	<b>22.54</b>	<b>12.23</b>	<b>3.35</b>	<b>34.77</b>	<b>(14.73)</b>	<b>(10.50)</b>
6.	<b>Other comprehensive income</b>						
	-Remeasurement of defined benefit obligations	-	-	-	-	-	(0.68)
	-Income-tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-	-
	<b>Total other comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(0.68)</b>
7.	<b>Total comprehensive income/ (Loss) for the period/ year (5+6)</b>	<b>22.54</b>	<b>12.23</b>	<b>3.35</b>	<b>34.77</b>	<b>(14.73)</b>	<b>(9.82)</b>
8.	Paid-up equity share capital (face value of Re. 10/- each)	2,003.69	2,003.69	2,003.69	2,003.69	2,003.69	2,003.69
9.	Other equity						(1,919.61)
10.	Profit / (Loss) per equity share (Basic and Diluted)	0.11	0.06	0.02	0.17	(0.07)	(0.05)

**SIGNED FOR  
IDENTIFICATION  
PURPOSES ONLY**



Particulars	As at 30 September 2025	As at 31 March 2025
<b>ASSETS</b>		
<b>Non-current assets</b>		
a) Property, plant and equipment	7.12	5.64
b) Right of use assets	15.98	15.01
c) Intangible assets	0.02	0.02
d) Capital work in progress	10.50	-
e) Non-current tax assets (net)	3.49	2.21
f) Other non current assets	29.83	15.20
<b>Total non-current assets</b>	<b>66.94</b>	<b>38.08</b>
<b>Current assets</b>		
a) Inventories	53.30	72.74
b) Financial assets		
i) Trade receivables	94.96	51.82
ii) Cash and cash equivalents	49.32	313.23
c) Other current assets	60.01	53.12
<b>Total current assets</b>	<b>257.59</b>	<b>490.91</b>
<b>Total assets</b>	<b>324.53</b>	<b>528.99</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
a) Equity share capital	2,003.69	2,003.69
b) Other equity	(1,884.85)	(1,919.61)
<b>Total equity</b>	<b>118.84</b>	<b>84.08</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
a) Financial liabilities		
i) Lease liabilities	8.48	2.39
b) Provisions	29.85	32.17
<b>Total non-current liabilities</b>	<b>38.33</b>	<b>34.56</b>
<b>Current liabilities</b>		
a) Financial liabilities		
i) Lease liabilities	8.33	14.36
ii) Trade payables		
Total outstanding due to micro enterprises and small enterprises	15.56	21.10
Total outstanding dues of creditors other than micro enterprises and small enterprises	82.60	308.24
iii) Other financial liabilities	45.75	48.40
b) Other current liabilities	8.58	11.71
c) Provisions	6.54	6.54
<b>Total current liabilities</b>	<b>167.36</b>	<b>410.35</b>
<b>Total liabilities</b>	<b>205.69</b>	<b>444.91</b>
<b>Total equity and liabilities</b>	<b>324.53</b>	<b>528.99</b>

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Mawana Foods Private Limited

Cash Flow Statement for the period ended 30 September 2025

CIN: U74899DL2006PTC144412

(Unless otherwise stated, all amounts are in ₹/lacs)

Particulars	For the period ended 30 September 2025	Year ended 31 March 2025
<b>A. Cash flow from operating activities</b>		
Income before income tax	34.77	(10.50)
<b>Adjustment for</b>		
Depreciation and amortisation expense	7.29	14.99
Interest expense	1.74	6.86
Liabilities written back	(20.41)	(6.86)
Gain on lease modification	(0.84)	(0.78)
Loss on disposal of property, plant and equipment	-	0.66
Interest income	(9.49)	(15.80)
<b>Operating Profit (loss) before working capital changes</b>	<b>13.06</b>	<b>(11.43)</b>
<b>Adjustment for changes in working capital</b>		
Movement in trade receivables	(43.14)	59.50
Movement in inventories	19.43	(13.31)
Movement in other assets	(21.52)	(28.41)
Movement in trade payables	(210.76)	(11.34)
Movement in other liabilities	(5.78)	29.02
Movement in provisions	(2.31)	5.03
<b>Cash generated from/ (used in) operations</b>	<b>(251.02)</b>	<b>29.06</b>
Income taxes paid (Net of refund)	1.28	0.28
<b>Net cash generated from/ (used in) operations (A)</b>	<b>(252.30)</b>	<b>28.78</b>
<b>B. Cash flow from investing activities</b>		
Purchase of property, plant and equipment	(2.79)	(5.56)
Capital work in progress	(10.50)	-
Interest received	9.49	15.80
<b>Net cash generated from investing activities (B)</b>	<b>(3.80)</b>	<b>10.24</b>
<b>C. Cash flow used in financing activities</b>		
Interest paid	(1.74)	(6.64)
Payment of lease liabilities	(6.07)	(12.09)
<b>Net cash used in financing activities (C)</b>	<b>(7.81)</b>	<b>(18.73)</b>
<b>D. Net decrease in cash and cash equivalents (A+B+C)</b>	<b>(263.91)</b>	<b>20.31</b>
<b>E. Cash and cash equivalents at the beginning of the year</b>	<b>313.23</b>	<b>292.92</b>
Cash and cash equivalents at the end of the year (refer note 8)	49.32	313.23
	<b>(263.91)</b>	<b>20.31</b>

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## MAWANA FOODS PRIVATE LIMITED

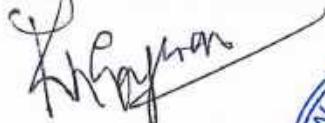
5th Floor, Kirti Mahal, 19 Rajendra Place, New Delhi-110125, CIN: U74899DL2006PTC144412, Email: care@mawanafoods.com, website: www.mawanafoods.com  
Tel.: +91-11-25739103, Fax: +91-11-25743659

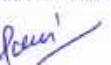
### STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED 30 SEPTEMBER 2025

- 1 The above financial results of Mawana Foods Private Limited ("the Company") have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 30 October 2025. The statutory auditors have carried out a limited review of unaudited financial results of the Company for the quarter and year to date ended 30 September 2025, solely to assist the Management of the Mawana Sugars Limited in the preparation of its consolidated financial results for the quarter and six months period ended 30 September 2025 pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The auditors have issued an unmodified Limited Review Report.
- 2 The financial results have been prepared in accordance with the Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, specified in Section 133 of the Companies Act, 2013.
- 3 The Company business primarily falls within a single business segment in terms Ind AS 108 'Operating Segment' and hence no additional disclosure is required.
- 4 The Board of Directors of the Company, in its meeting held on 08 June 2025, had approved the amalgamation of the Company with Mawana Sugars Limited (the "Transferee Company" or "Holding Company") on a going concern basis. The management of the Company has drafted the underlying documents, and in its meeting held on 12 August 2025, the Board has approved the Scheme of Amalgamation ("Scheme"). The Scheme has since been submitted to the Regulatory Authorities, and other concerned bodies for their necessary approvals.

Upon the Scheme becoming effective, the Company shall stand dissolved without undergoing the process of winding up, in accordance with applicable legal provisions. In view of the proposed amalgamation being undertaken on a going concern basis, the financial results for the period ended 30 September 2025 have been prepared and presented on a going concern assumption.

For and on behalf of Board of Directors of  
Mawana Foods Private Limited

  
R. K. Gangwar  
Managing Director

Place: Gurgaon  
Date: 30 October 2025  




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**REPORT ADOPTED BY THE BOARD OF DIRECTORS OF MAWANA FOODS PRIVATE LIMITED ("COMPANY") IN ACCORDANCE WITH THE PROVISIONS OF SECTION 232(2)(C) OF THE COMPANIES ACT, 2013 READ WITH RULE 6(3)(VI) OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016 IN THEIR MEETING HELD ON TUESDAY, 12TH DAY OF AUGUST 2025 AT 11:45 A.M. THROUGH VIDEO CONFERENCING AND OTHER AUDIO VIDEO VISUAL MEANS**

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**1. Background:**

- 1.1 The proposed scheme of arrangement ("Scheme") provides for amalgamation between Mawana Foods Private Limited ("Transferor Company" or "Company") and Mawana Sugars Limited ("Transferee Company") and their respective shareholders and creditors, under the provisions of sections 230-232 and all other applicable provisions, if any, of the Companies Act, 2013 ("Companies Act") read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 ("M&A Rules") */For the sake of brevity, Transferor Company and Transferee Company are hereinafter collectively referred to as "Companies".*
- 1.2 The Company is a wholly owned subsidiary of the Transferee Company.
- 1.3 In accordance with the provisions of section 232(2)(c) of Companies Act read with rule 6(3)(vi) of M&A Rules, directors of the Company are required to adopt a report explaining the effect of the Scheme on each class of shareholders, key managerial personnel, directors, promoter and non-promoter shareholder, depositors, creditors, debenture holders, deposit trustee, debenture trustee and employees of the Company. The said report is required to be circulated along with notice convening the meeting(s), if any, of shareholders and creditors, as the case may be, of the respective Companies.
- 1.4 The Scheme was approved by the Board of Directors of the Company ("Board" or "Board of Directors") vide resolution passed in its meeting held on 12.08.2025 and having regard to the aforesaid provision, the Board took into consideration, *inter alia*, the rationale of the Scheme, its impact on the Company's stakeholders, the financial position of the Company and other documents placed before it.
- 1.5 Upon coming into effect of the Scheme, the Transferor Company shall stand dissolved without following the process of winding up.

**2. Documents reviewed:**

- 2.1 Certificate obtained from Walker Chandiok & Co. LLP, Chartered Accountants, Firm Registration No. 001076N/N500013, statutory auditor of the Company, on the accounting treatment prescribed in the draft Scheme.

MAWANA FOODS PRIVATE LIMITED  
 (Formerly Known as Mawana Foods Ltd.)  
 (CIN : U74899DL2006PTC144412)



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### 3. Rational for the Scheme:

The Transferee Company is engaged in the business of manufacturing and marketing of sugar, ethanol and cogeneration of power at its units located at Mawana Sugar Works, Distt. Meerut, Uttar Pradesh and Nanglamal Sugar Complex, Nanglamal, Distt. Meerut, Uttar Pradesh whereas the Transferor Company is engaged in the business of trading of sugar under the brand name 'Mawana'. As both the Companies are engaged in similar line of businesses, accordingly, in order to leverage the existing strength and capabilities of group entities engaged in similar businesses, it is proposed to amalgamate the Transferor Company with and into the Transferee Company.

Thus, the Amalgamation would, inter-alia, have the following benefits

- (a) The consolidation of business would create synergies between the businesses of the Companies, thereby enabling pooling of financial, marketing, technical, distribution and other resources along with optimum utilization of resources.
- (b) The Scheme would lead to efficient and economical cost management, cost savings, better alignment, coordination and streamlining of day-to-day operations of the units and will provide a larger and stronger base for potential future growth.
- (c) The consolidation of business would result in simplification of the existing corporate structure and eliminate administrative duplications, consequently rationalization of administrative expenses/ services as well as reducing multiple legal and regulatory compliances.
- (d) The consolidation of business would allow for streamlined decision making process, help in better utilization of human resources and providing access to a larger and more diverse talent pool leading to improved expertise, skills and capabilities.
- (e) Thus, this Scheme, as envisaged, is in the interest of the shareholders, creditors, employees, and other stakeholders of each of the Companies by pursuing a focused business approach under a single entity, thereby resulting in overall maximization of value creation of all the stakeholders involved.

The Board of Directors of the Transferor Company and the Transferee Company are of the opinion that the Scheme is not prejudicial to the shareholders, directors, key management personnel, creditors, lenders, employees and other stakeholders of the Companies.

### 4. Consideration:

As per Clause 19.1 of the Scheme, since, the Company is a wholly owned subsidiary of the Transferee Company, accordingly, upon the Scheme becoming effective, all the equity shares as held by the Transferee Company in the Company either by itself or through its nominee shall stand cancelled and extinguished. Therefore, there will be no issue and allotment of shares as consideration by the Transferee Company to the shareholders of the Company.

MAWANA FOODS PRIVATE LIMITED  
(Formerly Known as Mawana Foods Ltd.)  
(CIN : U74899DL2006PTC144412)



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## 5. Effect of the Scheme on stakeholders of the Company:

S. No.	Particulars	Effect
1.	Directors/Key Managerial Personnel (KMP)	Upon the Scheme becoming effective, the Company shall stand dissolved and accordingly, existing Directors and KMPs of the Company shall cease to be the Directors and KMPs of the Company.
2.	Promoter Equity Shareholders	Upon the Scheme becoming effective, the Company shall stand dissolved and accordingly, all the equity shares as held by the Transferee Company in the Company either by itself or through its nominees shall stand cancelled and extinguished.
3.	Non-Promoter Equity Shareholders	Not applicable, as there is no non-promoter equity shareholder in the Company.
4.	Employees	<p>As per Clause 15.1 of the Scheme, upon the Scheme becoming effective, all staff, workmen and employees who are in employment of the Company on the Effective Date (<i>as defined in the Scheme</i>) shall become the staff, workmen and employees of the Transferee Company with effect from the Appointed Date (<i>as defined in the Scheme</i>), on such terms and conditions as are no less favourable than those applicable to them immediately prior to the said transfer and their employment shall be deemed to have been continuous and not interrupted.</p> <p>Further, as far as provident fund, employee state insurance plan scheme, national pension scheme, gratuity scheme/trusts, leave encashment, superannuation scheme, compensated absences, unavailed leave scheme or any other special scheme(s) or fund(s) or trust(s), provisions for benefits created or existing, if any, for the benefit of staff/workmen/employees of the Company are concerned, upon coming into effect of the Scheme, the Transferee Company shall stand substituted for the Company for all purposes whatsoever, related to administration or operation of such scheme(s) or fund(s) or trust(s) to the end and intent that all rights, duties, powers and obligation(s) of the Company in relation to such scheme(s) or fund(s) or trust(s) shall become those of the Transferee Company.</p>

MAWANA FOODS PRIVATE LIMITED  
 (Formerly Known as Mawana Foods Ltd.)  
 (CIN : U74899DL2006PTC144412)



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Corporate Office : Plot No. 03, Institutional Area, Sector -32, Gurugram-122 001 (India) T : +91-124 - 4447856  
 Registered Office : 5th Floor, Kirti Mahal, 19 Rajendra Place, New Delhi-110008 (India) T : +91-11- 25739103, F : +91-11- 25743659  
 E : care@mawanafoods.com | www.mawanafoods.com



**mawana.**

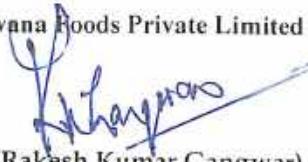
5.	Secured Creditors	No effect, as upon the Scheme becoming effective, secured creditors of the Company shall continue to be the secured creditors of the Company.
6.	Unsecured Creditors	No Effect, upon the Scheme becoming effective, unsecured creditors of the Company will become the unsecured creditors of the Transferee Company.
7.	Depositors	Not Applicable, as there are no depositors in the Company.
8.	Deposit trustee	Not Applicable, as there is no deposit trustee in the Company.
9.	Debenture Holders	Not Applicable, as there are no debenture holders in the Company.
10.	Debenture Trustee	Not Applicable, as there is no deposit trustee in the Company.

**6. Adoption of the report by the board of directors of the Company:**

The Board of Directors have unanimously adopted this report after noting and considering the information set forth in this report.

For Mawana Foods Private Limited



  
(Rakesh Kumar Gangwar)  
Managing Director  
DIN No. 09485856



Refer: MSL/BSE/NSE/

Date: 13 August 2025

**BSE Limited**  
 25th Floor,  
 Pheroze Jeejeebhoy Towers,  
 Dalal Street,  
 Mumbai 400 001  
 Scrip Code: 523371

**National Stock Exchange of India Ltd**  
 Exchange Plaza, Plot no. C/1, G Block,  
 Bandra-Kurla Complex,  
 Bandra (E),  
 Mumbai 400 051  
 Scrip Symbol: MAWANASUG

**Ref.:** Regulation 37(6) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 ("Listing Regulations") read with Para-4 of Preliminary Part of SEBI Master Circular No. No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated 20<sup>th</sup> June 2023 ("SEBI Master Circular").

**Subject:** Disclosure of Scheme of Amalgamation between Mawana Foods Private Limited (Transferor Company) and Mawana Sugars Limited (Transferee Company) and their respective shareholders and creditors, as per Regulation 37(6) of the Listing Regulations read with Para-4 of Preliminary Part of SEBI Master Circular.

Dear Sir/Madam,

We refer to our communication dated 2<sup>nd</sup> August 2025 submitted under Regulation 30 read with Schedule-III of the Listing Regulations, intimating that the Board of Directors of the Company in their meeting held on 2<sup>nd</sup> August 2025, has considered and approved a Scheme of Amalgamation ("Scheme") between Mawana Foods Private Limited ("Transferor Company") and Mawana Sugars Limited ("Transferee Company") and their respective shareholders and creditors, in terms of the provisions of sections 230-232 and other applicable provisions, if any, of the Companies Act, 2013. The Transferor Company is a wholly owned subsidiary of the Transferee Company.

The above-mentioned Scheme provides for amalgamation of a wholly owned subsidiary company (i.e., Transferor Company) with and into its holding company (i.e., Transferee Company) and accordingly, in terms of the provisions of Regulation 37(6) of the Listing Regulations read with Para-4 of Preliminary Part of SEBI Master Circular, the requirement of obtaining 'No Objection Letter' from the stock exchanges does not arise in the instant case.

Further, in compliance with Regulation 37(6) of the Listing Regulations read with Para-4 of Preliminary Part of the SEBI Master Circular, please find enclosed herewith documents:

**MAWANA SUGARS LIMITED**

CIN : L74100DL1961PLC003413

Corporate Office:

Plot No. 03, Institutional Area  
 Sector-32, Gurugram-122 001 (India)  
 T 91-124-4447856

**Registered Office:**

5th Floor, Kirti Mahal, 19, Rajendra Place  
 New Delhi-110125 (India)  
 T 91-11-25739103 F 91-11-25743659



E [corporate@mawanasugars.com](mailto:corporate@mawanasugars.com)  
[www.mawanasugars.com](http://www.mawanasugars.com)



S. No.	Particulars of Documents	Page No.
1	<b>Annexure-A:</b> Certified true copy of the Scheme.	1-15
2	<b>Annexure-B:</b> Certified true copy of resolution passed by the board of directors of the Transferor Company in their meeting held on 12 <sup>th</sup> August 2025, approving the Scheme.	16-18
3	<b>Annexure-C:</b> Extracts of minutes of meeting of board of directors of the Transferee Company held on 2 <sup>nd</sup> August 2025, approving the Scheme.	19-24

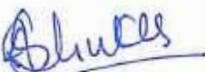
The aforesaid disclosure is also available on the Company's website.

We hereby request you to kindly take the above information on record for your necessary actions.

Thanking You,

Yours Sincerely

For Mawana Sugars Limited

  
 Ashok Kumar Shukla  
 Company Secretary  
 Membership No. 29673



**Mawana Sugars Limited**  
(CIN: L74100DL1961PLC003413)  
Registered Office: 5th Floor, Kirti Mahal, 19, Rajendra Place, New Delhi – 110125  
T 91-11-25739103, F 91-11-25743659  
E-mail:[corporate@mawanasugars.com](mailto:corporate@mawanasugars.com), Website: [www.mawanasugars.com](http://www.mawanasugars.com)



**Date: 16 January 2026**

«NAME»  
«PAD1»  
«PAD2»  
«PAD3»  
«PAD4»  
«PAD5»

Dear Shareholder,

**Subject: Weblink and QR code to the notice convening the meeting of equity shareholders of Mawana Sugars Limited (“Company”) as per the directions of the Hon’ble National Company Law Tribunal, New Delhi Bench issued vide its order dated 18<sup>th</sup> December, 2025 in Company Application No. CA (CAA)-80/ND/2025.**

We are pleased to inform you that by an order dated 18<sup>th</sup> December 2025 (“Order”) in Company Application No. CA(CAA)-80/ND/2025, the Hon’ble National Company Law Tribunal, New Delhi Bench (“Tribunal”) has directed a Meeting of equity shareholders of the Company be convened, for the purpose of considering, and if thought fit, approving, with or without modification(s), the scheme of amalgamation between Mawana Foods Private Limited and Mawana Sugars Limited and their respective shareholders and creditors (“Scheme”), under the provisions of sections 230-232 of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

In pursuance of the directions issued by the Hon’ble Tribunal vide said Order and in consultation with the Chairperson appointed by the Hon’ble Tribunal for the said Meeting, the said Meeting of equity shareholders (“Meeting”) of the Company will be held through Video Conferencing/ Other Audio-Visual Means (VC/OAVM) on **Saturday, 21<sup>st</sup> February, 2026 at 02:30 P.M. (IST)**, at such day, date and time you are requested to attend the Meeting through VC/ OAVM, without physical presence at any specific venue.

The notice of the Meeting is being sent by electronic mode to the equity shareholders whose email addresses are registered with the Company/ Registrar & Share Transfer Agent or the Depository Participants.

We wish to inform you that, on scrutiny of our shareholder database, we found that your e-mail address is not registered against your demat account/ folio number. On account of this, we are unable to send the notice electronically to you. Hence, this letter is being sent to you to provide the web-link and QR code of the notice of the meeting, along with the explanatory statement, instructions for voting and joining the Meeting.

**E-Voting Information:**

The Company has engaged the services of National Securities Depository Limited (NSDL) to provide the e-voting platform. The remote e-voting facility is available at the link: <https://www.evoting.nsdl.com>. Details for login are as under:

Event No.	User Id	Password
«EVSN»	«USER»	«PASS»

Details of the meeting are as follows:

<b>Day</b>	Saturday	
<b>Date</b>	21 <sup>st</sup> February, 2026	
<b>Time</b>	2:30 P.M. (IST)	
<b>Mode</b>	Video Conferencing/ Other Audio-Visual Means (VC/OAVM)	
<b>Schedule of remote e-voting</b>	Commencement of remote e-voting	Wednesday, 18 <sup>th</sup> February, 2026 at 9:00 A.M. IST
	End of remote e-voting	Friday, 20 <sup>th</sup> February, 2026 at 5:00 P.M. IST

Access the notice here: <https://mawanasugars.com/downloads/notice-of-equity-shareholders-meeting.pdf>

QR Code:



Additionally, the notice of the meeting of the equity shareholders is also available on the website of the Stock Exchanges i.e., BSE Limited at <https://www.bseindia.com> and National Stock Exchange of India Limited at <https://www.nseindia.com>, and the website of NSDL at <https://www.evoting.nsdl.com>.

Please note that as an equity shareholder you are always entitled to receive, on request, a physical copy of the Notice, free of cost.

**Thanking You,  
For and on Behalf of Mawana Sugars Limited**

**Sd/-  
(Ashok Kumar Shukla)  
Company Secretary & Compliance Officer  
ACS-29673**