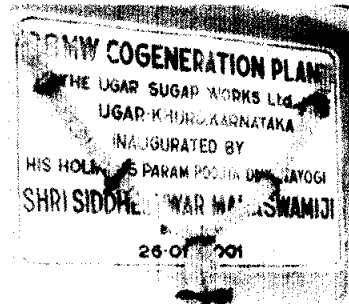


**THE  
UGAR SUGAR WORKS  
LIMITED**

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**ANNUAL REPORT  
2000-2001**



Inauguration of Co-Generation Project



Inauguration of New Mill 42"X84" and expansion of Co-Generation Project

## THE UGAR SUGAR WORKS LTD.,

### SIXTYFIRST ANNUAL REPORT 2000-2001

#### BOARD OF DIRECTORS

(as on 15th December, 2001)

<b>Shri. S. S. Shirgaokar</b>	Chairman
<b>Shri. V. Balsubramanian</b>	IREDA Nominee
<b>Shri. R. R. Bhide</b>	Director
<b>Shri. M. G. Joshi</b>	"
<b>Shri. M. R. Desai</b>	"
<b>Shri. B. N. Kalyani</b>	"
<b>Shri. A. B. Kage</b>	"
<b>Shri. M. B. Karmarkar</b>	"
<b>Shri. S. N. Inamdar</b>	"
<b>Shri. K. P. Shirgaokar</b>	"
<b>Shri. R. V. Shirgaokar</b>	Managing Director
<b>Shri. P. V. Shirgaokar</b>	Executive Director
<b>Shri. Shishir S. Shirgaokar</b>	Wholetime Director

## THE UGAR SUGAR WORKS LIMITED

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**Registered Office :**

Mahaveemagar (Wakhar Bhag)

Sangli 416 416.

Phone : (0233) 323716, Fax : (0233) 323617

**Factory and Administrative Office :**

Ugar-Khurd 591 316

Dist - Belgaum

Phone : (08339) 72230 (5 Lines), Fax : (08339) 72232

email : ugarsugr@sancharnet.in

website : www.ugarsugar.com

**Company Secretary & Compliance Officer :**

Shri. B. G. Kulkarni

**Auditors :**

Messrs P. G. Bhagwat

Chartered Accountants

Belgaum 590 006

**Bankers :**

Central Bank of India

Bank of Baroda

Union Bank of India

The United Western Bank Ltd.

The Sangli Bank Ltd.

**Annual General Meeting :**

Saturday, 16th March, 2002 at 10.30 a.m.

at Bhide Mangal Karyalaya, Timber Area, Sangli 416 416.

## THE UGAR SUGAR WORKS LIMITED

REGD. OFFICE : MAHAVEERNAGAR [WAKHAR BHAG] SANGLI 416416

### NOTICE

**NOTICE** is hereby given that the Sixtyfirst Annual General Meeting of THE UGAR SUGAR WORKS LIMITED will be held on Saturday the 16<sup>th</sup> March, 2002 at 10.30 a.m. at BHIDE MANGAL KARYALAYA, TIMBER AREA, SANGLI to transact the following business.

#### Ordinary Business :

1. To receive, consider and adopt the audited Balance Sheet as at 30th September, 2001 and the Profit and Loss Account for the period ended on that date and the Reports of the Directors and Auditors thereon.
2. To declare dividend.
3. To appoint a Director in place of Shri. S.N Inamdar, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri. R.R.Bhide, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Shri. M. B. Karmarkar, who retires by rotation and being eligible, offers himself for re-appointment.
6. To appoint auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

#### Special Business :

7. To consider and, if thought fit, to pass with or without modification the following resolution as a Special Resolution.

"Resolved that pursuant to the provisions of Sec. 31 and all other applicable provisions' if any, of the Companies Act, 1956 the Articles of Association of the Company be altered in the following manner :

- 1] a) Article No.2 under the heading of interpretation the definition of dividend be substituted with following definition.  
Dividend includes interim dividend.
- b) In Article 2 under the heading interpretation the following definitions be added before the definition of the words " Expression in these articles means.

#### "Beneficial Owner"

"Beneficial Owner" shall mean beneficial owner as defined in clause (a) of sub-section (1) of Section 2 of the Depositories Act, 1996.

#### "Bye-Laws"

"Bye-laws means bye-laws made by a Depository under Section 26 of the Depositories Act, 1996.

#### "Depository"

Depository shall mean a Depository as defined under clause (e) of sub-section(1) of Section 2 of the Depositories Act, 1996.

#### "Depositories Act, 1996"

"Depositories Act, 1996" shall include any statutory modification or re-enactment thereof.

**THE UGAR SUGAR WORKS LIMITED****"Member"**

"Member" shall mean shareholder and vice versa and shall include the duly registered holder from time to time of the shares of the Company and the beneficial owner as defined in clause (a) of sub-section(1) of section 2 of the Depositories Act, 1996.

**"Record"**

"Record" includes the records maintained in the form of books or stored in a computer or in such other form as may be determined by regulations made by SEBI.

**"Regulations"**

"Regulations" means the regulations made by SEBI.

**"SEBI"**

"SEBI" means the Securities and Exchange Board of India established pursuant to Section 3 of the Securities and Exchange Board of India Act, 1992.

**"Security"**

"Security" means such security as may be specified by SEBI from time to time.

**2] After Articles 39. following new article be added as article 39 A****39 A (1) Dematerialisation of Securities :**

The Company shall be entitled to dematerialise its existing shares, debentures and other securities, re-materialise its existing shares, debentures and other securities held in a Depository and or offer its fresh shares and debentures and other securities in a dematerialized form pursuant to the Depositories Act, 1996, and the rules framed thereunder, if any.

**(2) Option of Investors :**

Every person subscribing to securities offered by the Company shall have the option to receive the security certificates or to hold the securities with a depository. Such a person who is the beneficial owner of the securities can at any time opt out of a Depository, if permitted by law, in respect of any security in the manner provided by the Depositories Act, 1996 and the Company shall and within the time prescribed, issue to the beneficial owner the required certificate of securities.

**(3) Intimation to Depository :**

Where a person opts to hold his security with a Depository the Company shall intimate such depository the details of allotment of the security and on receipt of such information, the Depository shall enter in its record the name of the allottee as the beneficial owner of the security.

**(4) Securities in Depository shall be dematerialised and shall be in fungible form.**

All securities held by Depository shall be dematerialized and shall be in fungible form.

**(5) Rights of Depositories and Beneficial Owners :**

- [a] Notwithstanding anything to the contrary contained in the Act or these Articles, a Depository shall be deemed to be the registered owner for the purpose effecting transfer of ownership of security on behalf of the beneficial owner.
- [b] Save as otherwise provided in (a) above the Depository a registered owner of the securities shall not have any voting rights or any other right in respect of the securities held by it.
- [c] Every person holding securities of the Company and whose name is entered as a beneficial owner in the records of the "Depository" shall be deemed to be a member of the Company. The beneficial owner of the securities shall be entitled to all the rights and benefits and be subjected to all the liabilities in respect of his securities held by a Depository.



[d] In respect of the shares or other securities of the Company held in dematerialized form, the provisions relating to joint holders contained in these Articles shall mutatis mutandis apply to the joint beneficial owners.

**(6) Depository to furnish information :**

Every Depository shall furnish to the Company information about the transfer of securities in the name of the beneficial owner at such intervals and in such manner as may be specified by the bye-laws of the Company in this behalf.

**(7) Section 83 and 108 of the Companies Act, 1956 not to apply**

Notwithstanding anything to the contrary contained in the Articles :

[a] Section 83 of the Act shall not apply to the shares with a Depository.

[b] Section 108 of the Act shall not apply to transfer of security effected by the transferor and the transferee, both of whom are entered as beneficial owners in the records of a Depository.

**(8) The company to recognize the rights of Registered Holders as also the Beneficial Owner in the records of the Depository.**

Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears in the Register of Members as the holder of any Share or whose name appears as the beneficial owner of any share in the records of the Depository as the absolute owner thereof and accordingly shall not (except as ordered by a Court of competent jurisdiction or as by law required) be bound to recognize any benami, trust or equitable, contingent or other claim to or interest in such share on the part of any other person whether or not it shall have express or implied notice thereof. But the Board of Directors shall be at liberty to register any Shares in the joint names of any two or more persons or the survivor or survivors of them.

**(9) Register and Index of Beneficial Owners :**

The Company shall maintain a Register and Index of Members in accordance with all applicable provisions of the Companies Act, 1956, and the Depositories Act, 1996, and the rules framed thereunder with the details of shares held in material and dematerialized form in any media as may be permitted by law including any form of electronic media.

The Register and Index of Beneficial Members maintained by a Depository under Section 11 of the Depositories Act, 1996 shall be deemed to be a Register and Index of Members for the purpose of this Act.

The Company shall cause to keep Register and Index of Debentureholders in accordance with the provisions of the Companies Act, 1956. The Company may also keep a Foreign Register of Members and Debentureholders in accordance with the provisions of the Companies Act, 1956.

**(10) Applicability of the Depositories Act :**

In case of transfer of shares, debentures and other marketable securities where the Company has not issued any certificate and where such shares, debentures or such shares, debentures or securities are being held in an electronic and fungible form in a Depository, the provisions of the Depositories Act, 1996 shall apply.

**3] After Article 52 following new Articles be added as Article 52 A and 52 B.**

**52 A Nomination :**

- 1] Every holder of shares in or debentures of the Company may at any time nominate in the manner prescribed under the Act, a person to whom his shares in, or debentures of the Company shall vest in the event of death of such holder.

**THE UGAR SUGAR WORKS LIMITED**

- 2] Where the shares in or debentures of the Company are held by more than one person jointly, the joint holders may together nominate, in the prescribed manner, a person to whom all the rights in the shares or debentures of the Company as the case may be, held by them shall vest in the event of death of all joint holders.
- 3] Notwithstanding anything contained in any other law for the time being in force or in disposition, whether testamentary or otherwise, or in these Articles, in respect of such shares in or debentures of the Company, where a nomination made in prescribed manner purports to confer on any person the right to vest the shares in or debentures of the Company, the nominee shall, on the death of the holder, or as the case may be, on the death of the joint holders of shares or debentures become entitled to all the rights of the deceased holder or, as the case may be, of all the deceased joint holders in such shares or debentures to the exclusion of all other persons, unless the nomination is varied or cancelled in the manner prescribed under the provisions of the Act.
- 4] Where the nominee is a minor, it shall be lawful for the holder of the shares or debentures to make the nomination or appoint, in the manner prescribed under the provisions of the Act, any person to become entitled to shares in or debentures of the Company in the event of his death, during the minority.
- 5] The provisions of this Article shall apply mutatis mutandis to a depositor of money with the company as per the provisions of Section 58A of the Companies Act, 1956.

**52 B Transmission in the name of nominee :**

- 1] Any person who becomes a nominee by virtue of the provisions of Article 52 B, upon production of such evidence as may be required by the Board and subject as hereinafter provided, shall elect, either
  - i] to be registered himself as holder of the shares or debentures, as the case may be; or
  - ii] to make such transfer of the shares or debentures, as the case may be, as the deceased shareholder or debentureholder, could have made.
- 2] If the nominee elects himself to be registered as holder of the shares or debentures, as the case may be, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects and such notice shall be accompanied by the certificate of death of the deceased holder and the certificate(s) of shares or debentures as the case may be held by the deceased in the Company.
- 3] Subject to the provisions of Section 109B(3) of the Act and these Articles, the Board may register the relevant shares or debentures in the name of the nominee or the transferee as if the death of the registered holder of the shares or debentures had not occurred and the notice or transfer were a transfer signed by the registered holder.
- 4] A nominee on becoming entitled to any shares or debentures by reason of the death of the holder or joint holders shall be entitled to the same dividends and other advantages, to which he would have been entitled if he were the registered holder of the shares or debentures except that he shall not, before being registered as a holder of such shares or debentures, be entitled in respect of them to exercise any right conferred on a member or debenture holder in relation to meetings of the Company.
- 5] The Board may, at any time give notice requiring any such person to elect either to be registered himself or to transfer the shares or debentures, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses, interest or other moneys payable or rights accrued or accruing in respect of the relevant shares or debentures, until the requirements of the notice have been complied with.



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- 4] Following new article No. 59 A under the marginal notes buy back of Shares or securities be inserted after existing article No. 59.

**59 A Buy Back of Shares or other specified Securities :**

59 A Notwithstanding anything to the contrary contained in these articles and subject to the provisions of section. 77 A, 77 AA, 77 B of the Companies Act. 1956 and the rules and regulations and or Guidelines made thereunder, the company may purchase its own shares and other specified securities in the manner and upon the conditions as prescribed in the aforesaid Act, Rules Regulations and or Guidelines, for the time being and from time to time in force.

8. To consider and if thought fit, to pass with or without modification, the following resolution, as an Ordinary Resolution :

"Resolved that pursuant to provisions of section 293(1)(d) and other applicable provisions, if any of the Companies Act, 1956, and in supersession of Resolution No.8 passed at the 55<sup>th</sup> Annual general Meeting held on 18<sup>th</sup> March, 1996, the Company hereby authorizes the Board of Directors to borrow money from time to time up to a limit not exceeding Rupees two hundred crore in the aggregate, notwithstanding that the money to be borrowed, together with the moneys already borrowed (apart from the temporary loans obtained from the Company's Bankers in the ordinary course of business) will be over and above the aggregate of paid up capital and free reserves of the Company."

By order of the Board of Directors,  
For The Ugar Sugar Works Limited,

Place : Pune  
Date : 15th December, 2001

**B. G. Kulkarni**  
Company Secretary

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**NOTES :**

1. The Register of Members and the Share Transfer Books of the Company will remain closed from 12<sup>th</sup> March, 2002 to 20<sup>th</sup> March, 2002 (both days inclusive).
2. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY AND VOTE ON POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
3. The relative explanatory statement pursuant to section 173 (2) of the Companies Act, 1956, in respect of Special Business specified under item No.7 and 8 of the Notice is annexed hereto.
4. If dividend as recommended by the Directors is approved, the dividend warrants will be mailed within 30 days from the date of declaration, to those shareholders whose names appear on the Register of Members as on 16<sup>th</sup> March, 2002.
5. Members are requested to notify promptly any change in their addresses to the Company.
6. The members are requested to bring their copies of Annual Report along with them to the General Meeting.
7. The members who have not yet encashed their dividend warrants for the years 1994-95, 1995-96, 1996-97, 1997-98, 1998-99 and 1999-2000 are advised to forward such warrants to the Registered Office for obtaining cheques in lieu thereof. Pursuant to provision of Sec. 205 A of the Companies Act 1956 dividend which remains unclaimed for a period of seven years will be transferred to the Investor Education And Protection Fund of the Central Government.
8. Members are requested to quote their folio number/s in all correspondence with the Company.

**THE UGAR SUGAR WORKS LIMITED****Annexure to the Notice****Explanatory Statement pursuant to section 173 (2) of the Companies Act, 1956.**

As required by section 173 (2) of the Companies Act, 1956, the following statement sets out all material facts relating to the Special Business under item Nos. 7 to 8 mentioned in the accompanying Notice dated 15 th December, 2001 and should be taken as forming part of it.

**Item No. 7.**

With the introduction of the Depositories Act, 1996 and the Depository system, some of the provisions of the Companies Act, 1956 relating to the issue, holding, transfer, transmission of Shares and other securities have been amended to facilitate the implementation of the new system.

The Depository System is a far safer and more convenient method for holding and trading in the securities of a Company.

By Notificatin No.SMDRP/POLICY/CIR-23/2001 of SEBI dated May, 2001, the trading in the shares of your Company have been put under compulsory demat with effect from 30-09-2001 for all classes of investors.

In order to facilitate the introduction of depository system in the Company, the Articles of Association need to be amended to bring them in line with the provisions of the Depository Act, 1996 and the amended Companies Act, 1956 to that effect and to indicate therein the rights of the beneficial owners of the securities in such a system.

Further, the Companies Act, 1956, as amended by the Companies (Amendment) Act, 1999, has provided to every holder of securities of and every depositor with Companies, an option to nominate a person to whom the rights of the holder of any securities of or of the depositor with, a Company shall vest in the event of the death of the holder(s) of such securities or of the depositor(s). To provide facility of nomination to our shareholders, necessary amendments are proposed in the Articles to bring them in line with the amendments made in the Companies Act, 1956.

As per sub-section 2(a) of section 77A of the companies Act, 1956, as amended upto date, there should be a provision in the articles of association of the company to enable the company to buy back its shares and other specified securities. It is therefore proposed to include the new Article No. 59 A after the article 59 as setout in the special resolution in the Articles of Association of the company.

Memorandum of interest :

None of the Directors is interested in this resolution.

**Item No. 8.**

At the 55th Annual General Meeting of the company held on 18<sup>th</sup> March, 1996, the shareholders had authorised the Board of Directors to borrow to the extent of Rupees one hundred fifty crores in excess of paid up capital and reserves. In view of the expansion of crushing capacity and Co-Generation capacity, the fund requirement has gone up and hence it is proposed to enhance the existing borrowing power from Rs. 150 Crores to Rs. 200 Crores to meet the additional fund requirements. The resolution is proposed for your approval.

Memorandum of interest :

None of the Directors is interested in this resolution.

By order of the Board of Directors,  
For The Ugar Sugar Works Limited,

Place : Pune  
Date : 15th December, 2001

**B. G. Kulkarni**  
Company Secretary