

The Ugar Sugar Works Limited

CIN: L15421PN1939PLC006738

75TH ANNUAL REPORT 2014-15

Name	Designation
Shri. R. V. Shirgaokar	Chairman Emeritus

BOARD OF DIRECTORS (As on 29 th May, 2015)		
Sr. No.	Name	Designation
1.	Shri. P. V. Shirgaokar	Chairman
2.	Shri. Shishir S. Shirgaokar	Executive Vice Chairman
3.	Shri. V. Balasubramanian (I.A.S. Retired)	Independent Director
4.	Dr. M. R. Desai	Independent Director
5.	Shri. S. N. Inamdar	Independent Director
6.	Shri. M. G. Joshi	Independent Director
7.	Shri. D. B. Shah	Independent Director
8.	Shri. Rakesh Kapoor	Independent Director
9.	Shri. Deepak Ghaisas	Independent Director
10.	Shri. Sachin R. Shirgaokar	Non Executive Director
11.	Shri. Sohan S. Shirgaokar	Non Executive Director
12.	Sou. Shilpa Kumar	Non Executive Woman Director
13.	Shri. Niraj S. Shirgaokar	Managing Director
14.	Shri. Chandan S. Shirgaokar	Managing Director

**GM Corporate Affairs & Company Secretary
Compliance Officer**

Shri. B. G. Kulkarni
Ugarkhurd 591 316 (Dist- Belgaum)
Phone: 08339-272230
Fax: 08339-272232
Email: bg.kulkarni@ugarsugar.com

Auditors

M/s. P. G. Bhagwat
Chartered Accountants
Ashirwad's Landmarks, Roy Road, Tilakwadi,
Belgaum: 590 006
Phone: 0831-2429306

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Registered Office:

Mahaveernagar, Sangli 416 416.
Phone : 0233-2623716, 2623717
Fax : 0233-2623617.

Registrar & Transfer Agent:

Bigshare Services Pvt. Ltd.
E-2, Ansa Ind. Estate, Sakivihar Rd,
Saki Naka, Andheri (E),
MUMBAI – 400 072.

Administrative Office:

Ugarkhurd 591 316 (Dist- Belgaum).
Phone : 08339-272230
Fax : 08339-272232

e-mail: helpdesk@ugarsugar.com
website: www.ugarsugar.com

Plants: Ugar Khurd and Malli (Jewargi).

Bankers

Central Bank of India
Bank of Baroda
ICICI Bank Ltd

Bank of India
Union Bank of India

ANNUAL GENERAL MEETING

**FRIDAY THE 25TH DAY OF SEPTEMBER, 2015 AT 11.00 A.M. AT
DECCAN MANUFACTURERS ASSOCIATION,
MADAHAV NAGAR ROAD, SANGLI - 416 416.**

THE UGAR SUGAR WORKS LIMITED

REGD. OFFICE: MAHAVEERNAGAR [WAKHAR BHAG], SANGLI- 416416.

NOTICE

NOTICE is hereby given that Seventy Fifth Annual General Meeting of THE UGAR SUGAR WORKS LIMITED will be held on FRIDAY, the 25th day of September, 2015 at 11.00 a.m., at Deccan Manufacturers Association, Madhavnagar Road, Sangli-416416 to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the audited Balance Sheet as on 31st March, 2015 and the Statement of Profit and Loss Account, Cash Flow Statement for the year ended as on that date and the Reports of the Directors, Report on Corporate Governance and Auditors thereon.
2. To appoint a Director in place of Shri. P. V. Shirgaokar (DIN NO- 00166189) who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors M/s. P. G. Bhagwat, Chartered Accountants, 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:

4. To consider and if thought fit, to pass, with or without modification, following resolution as an ORDINARY RESOLUTION:

"Resolved that, pursuant to the provisions of section 152 and other applicable provisions, if any, of the Companies Act, 2013 read with relevant Rules, Mrs. Shilpa Kumar (DIN NO- 02404667), who was appointed by the Board of Directors of the Company as an Additional Director on 31st March, 2015, holds office up to the date of this Annual General Meeting and in respect of whom, a notice in writing under section 160(1) of the Companies Act, 2013 has been received from a member signifying his intention to propose the candidature of Mrs. Shilpa Kumar, for the office of Director, being eligible, be and is hereby appointed as a Woman Director of the Company, liable to retire by rotation."

5. To consider and if thought fit, to pass, with or without modification, following resolution as an ORDINARY RESOLUTION:

"Resolved that, pursuant to the provisions of Section 149, 152 & other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed there under, read with Schedule IV of the Act, as mentioned from time to time, Shri. V. Balsubramanian (DIN NO- 0026561) who holds office up to the date of this AGM as an Independent Director, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation for a period of 4 years up to 2019".

6. To consider and if thought fit, to pass, with or without modification, following resolution as an ORDINARY RESOLUTION:

"Resolved that, pursuant to the provisions of Section 149, 152 & other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed there under, read with Schedule IV of the Act, as mentioned from time to time, Dr. M.R. Desai (DIN NO- 001625500) who holds office up to the date of this AGM as an Independent Director, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation for a period of 4 years up to 2019".

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

"Resolved that, pursuant to the provisions of section 148 of the Companies Act, 2013 and the relevant rules, Shri. Vikas Vinayak Deodhar, Practicing Cost Accountant, Mumbai, (M. No. 3813) who was appointed by the Board of Directors of the Company in their meeting held on 29th May, 2015, as a Cost Auditor, to audit the cost records, as may be ordered by the Central Government, on a remuneration of Rs. 1,70,000 (Rupees One Lakh Seventy Thousand) plus reimbursement of out of pocket expenses plus Service Tax as applicable, for the Financial Year 2015-16 be and is hereby ratified.

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

B. G. Kulkarni

GM Corporate Affairs & Company Secretary
(F-2805)

Place: Pune

Date: 29-05-2015

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF, AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM DULY COMPLETED MUST REACH THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. The Register of Members and the Share Transfer Books of the Company will remain Closed from 18th September, 2015 to 25th September, 2015 (both days inclusive).
3. The relevant explanatory statement pursuant to section 102 of the Companies Act, 2013 in respect of Special Business specified under item No. 4 to 7 of the Notice is annexed hereto.
4. Members are requested to notify promptly any change in their addresses to the RTA/Company.
5. The members are requested to bring their copies of Annual Report along with them to the Annual General Meeting.
6.
 - i) The members who have not yet encashed their dividend warrants for the years 2007-08, 2008-09, 2011-12 and 2012-13 are advised to forward such warrants / request to the Registered Office of the Company for obtaining cheques in lieu thereof. (The Company has not declared any dividend for the year 2006-07, 2009-10, 2010-11 and 2013-14.)
 - ii) Pursuant to the provisions of section 205-A and 205C, of the Companies Act 1956 any dividend remaining unclaimed for a period of seven years from the due date of payment is required to be transferred to the Investor Education and Protection Fund created by Government of India for the benefit of investors. The unclaimed dividend for the financial year ended 2005-06 has already been transferred on 24/03/2014. No dividend was declared during the year 2006-07.
7. Members are requested to quote their folio number/s or Client ID in all correspondence with the Company.
8. SEBI, vide its Circular dated 20th May, 2009, has clarified that, it shall be mandatory for the transfer (s) of shares of the Listed Companies, in physical form, to furnish copy of PAN Card to the Company/ RTA for registration of transfer of shares, for securities market transactions and off market / private transactions involving shares.
9. In response to the Green Environment Initiative taken by the Ministry of Corporate Affairs, Members who have not registered their e-mail addresses so far are requested to register their email addresses, in respect of electronic holdings with the Depository through their concerned Depository Participant. Members who hold shares in physical form are requested to register their email addresses with M/s. Bigshare Services Pvt. Ltd., Registrar and Share Transfer Agents of the Company.

10. E-voting

Voting through electronic means

- i. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means also and the business may be transacted through e-Voting Services provided by National Securities Depository Limited (NSDL). For conducting this e-voting activity in a fair and transparent manner, the Board of Directors has appointed M/s. Abhay R. Gulavani, Practising Company Secretary (ACS 28983) as Scrutinizer.

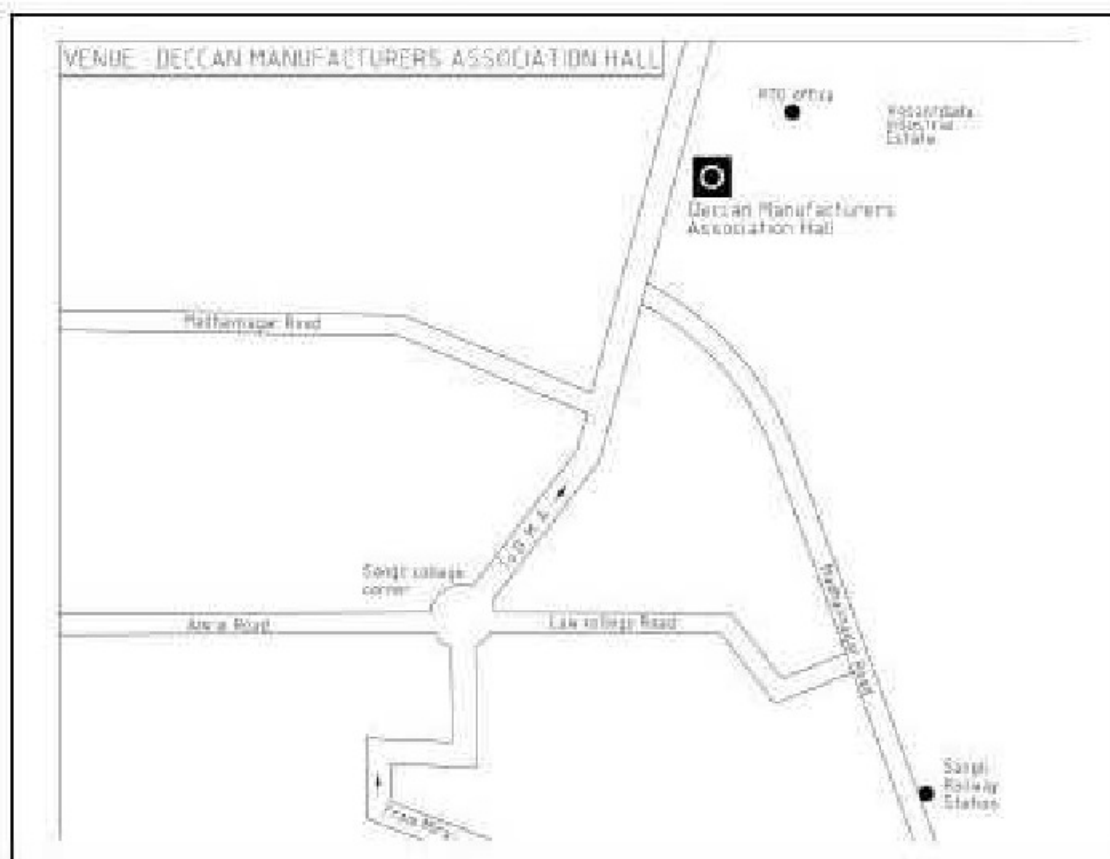
The instructions for e-voting are as under:

- (i) Launch internet browser by typing the URL: <https://www.evoting.nsdl.com>
 - (ii) Click on "Shareholder-Login".
 - (iii) Click on the PDF file "Ugar Sugar e-voting.pdf" sent to you in the email by NSDL. The file will prompt for a Password. Kindly input your Client ID or Folio No. as may be applicable in the box prompted for Password. The said PDF file contains your user ID and password/PIN for e-Voting. Please note that this password is an initial password and needs to be changed while doing first time login for security purpose.
 - (iv) In case you are a existing user, please put your existing User ID and password.
 - (v) Put User ID and password as initial password noted above and Click Login.
 - (vi) Password Change Menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof.
 - (vii) Home page of "e-Voting" opens. Click on e-Voting: Active Voting Cycles.
 - (viii) Select "EVEN" of The Ugar Sugar Works Ltd.
 - (ix) Now you are ready for e-Voting as Cast Vote page opens
 - (x) Cast your vote by selecting appropriate option (Assent / Dissent) and click on "Submit" and also "Confirm" when prompted.
 - (xi) Upon confirmation, the message "Vote cast successfully" will be displayed
 - (xii) Once you have voted on the resolution, you will not be allowed to modify your vote.
 - (xiii) 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. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail abhaygulavani@rediffmail.com with a copy marked to evoting@nsdl.co.in.
- II. 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 Downloads section of www.evoting.nsdl.com.
 - III. If you are already registered with NSDL for e-voting then you can use your existing user ID and password for casting your vote.
 - IV. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
 - V. The e-voting period commences on 22nd September, 2015 (9:00 am) and ends on 24th September, 2015 (5:00 pm). During this period registered shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 18th September, 2015., may cast their vote electronically. The e-voting module shall also be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
 - VI. The voting rights of Shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on 18th September, 2015.

- VIII. Since the Company is required to provide members facility to exercise their right to vote by electronic means, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 18th September, 2015 and not casting their vote electronically, may only cast their vote at the Annual General Meeting.
- VIII. The Scrutinizer shall, immediately after the conclusion of voting at AGM, count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witness not in the employment of the company and make, not later than three days of conclusion of the meeting, a consolidate Scrutinizer's Report of the total vote cast in favour or against, if any, to the chairman or a person authorised by him in writing who shall countersign the same.
- IX. The result shall be declared after the AGM of the Company. The result declared along with the Scrutinizer's Report shall be placed on the Company's website www.ugarsugar.com and on the website of NSDL immediately after the result is declared. The company shall simultaneously forward the result to BSE & NSE, where the shares of the Company are listed.

All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during office hours on all working days except Sunday and holiday between 11.00 a.m. to 4.00 p.m. up to the date of declaration of the result of the 75th Annual General Meeting of the Company.

♦ Annual General Meeting Venue Road Map.



ANNEXURE TO NOTICE**Explanatory Statement pursuant to Section 102 of the Companies Act, 2013**

As required under section 102 of the Companies Act, 2013 the following statement sets out all material facts relating to the Special Business under item No. 4 to 7 mentioned in the accompanying Notice dated 29th May, 2015 and should be taken as forming part of it.

Item No. 4, 5 & 6:

- ♦ Mrs. Shilpa Naval Kumar age 48 years (DOB – 12.09.1966) is a MBA from IIM Kolkatta. She has been co-opted on the board on 31st March 2015. She has a rich experience over 22 years in the Finance and Treasury Management. Presently she holds the post of Senior General Manager with ICICI Bank. She holds 1,52,600 equity shares in the Company as on 31.03.2015. Her directorship & committee membership in other companies is given below.

Sr.No	Directorship in other Companies	Audit Committee	Shareholder's / Investor Grievances Committee
1	The Clearing Corporation of India	–	–
2	ICICI Securities Primary Dealership Limited	–	–
3	ICICI Securities Ltd.	Member	–
4	ICICI Home Finance Co. Ltd	–	–

Nature of his expertise in specific functional areas;

- 1) Corporate Financing
- 2) Fund Raising
- 3) Project Appraisal
- 4) Finance Policies & framework.
- 5) Treasury Management

Awards:

She was recognised as Asia's most influential women in Finance and Treasury Bankers in the year 2014.

Disclosure of relationships between directors –

Except Shri. P. V. Shingaokar being father of Mrs. Shilpa Kumar, None of the Directors or their relatives is in any way deemed to be concerned or interested, financially or otherwise in the proposed resolution no.4.

The Directors recommends the resolution for members' approval as an Ordinary Resolution.

- ♦ Shri. V. Balasubramanian, (Retd. IAS), age 74 years (DOB 13-04-1941), is on the Board of the Company as an Independent Director since 1997. He retires at this meeting and is eligible for re-appointment as an Independent Director till 2019. He is a retired Principal Secretary, Government of Karnataka. He is a knowledgeable person having vast experience in Administration & many other fields. He holds 11,200 equity shares in the Company as on 31.03.2015. His directorship & committee membership in other companies is given below.

Sr.No	Directorship in other Companies	Audit Committee	Shareholder's / Investor Grievances Committee
1	The Sandur Manganese & Iron Ores Ltd.	–	–
2	Gem Sugar Co. Ltd.	–	–
3	International Sericulture Alliance Ltd.,	–	–
4	Shree Kadamath Sugar & Agro Products Ltd.	–	–
5	Nirani Sugars Ltd.	–	–
6	Ugar Consultancy Limited (under liquidation)	–	–

Nature of his expertise in specific functional areas;

- 1) Fund Raising
- 2) Project Technologists & Appraisal
- 3) Finance Policies & framework.

Disclosure of relationships between directors – Not Applicable.

None of the Directors or their relatives is in any way deemed to be concerned or interested, financially or otherwise in the proposed resolution no. 5.

The Directors recommends the resolution for members' approval as an Ordinary Resolution.

Dr. M. R. Desai age 68 years (DOB 28-07-1946), a qualified doctor, is on the Board as an Independent Director since 2000. He retires at this meeting and is eligible for re-appointment as an Independent Director till 2019. He has a rich experience in the working of sugar industry. He was a chairman of National Federation for Co-operative Sugar Industries. He holds 89,608 equity shares in the Company as on 31.03.2015. His directorship & committee membership in other companies is given below.

Sr.No	Directorship in other Companies	Audit Committee	Shareholder's / Investor Grievances Committee
1	Shri. Chamundeshwari Sugars Ltd.	-	-
2	BSJ Engineering Pvt. Ltd	-	-
3	Ugar Consultancy Limited (under liquidation)	-	-

Nature of his expertise in specific functional areas; - Overall functioning of the Sugar Industry

Disclosure of relationships between directors – Not Applicable.

None of the Directors or their relatives is in any way deemed to be concerned or interested, financially or otherwise in the proposed resolution no. 6.

The Directors recommends the resolution for members' approval as an Ordinary Resolution.

Item No. 7:

Approval / ratification of Remuneration to Cost Auditor:

The Audit Committee & the Board of Directors in their meeting held on 29th May, 2015, have approved the appointment of Cost Auditor Shri. Vikas V. Deodhar, for the Financial Year 2015-16 on a remuneration of Rs. 1,70,000 (Rupees One Lakh Seventy Thousand only) plus reimbursement of out of pocket expenses plus Service Tax as applicable, subject to the ratification by the shareholders in the ensuing annual general meeting. Accordingly the remuneration is proposed for your approval.

The Directors recommends the resolution for members' approval as an Ordinary Resolution.

The Directors, Key Managerial Personnel or their relatives are no way deemed to be concerned or interested, in the proposed resolution no 7.

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

Place: Pune
Date: 29-05-2015
Regd. Office: Mahaveernagar, Sangli – 416416

B. G. Kulkarni
GM Corporate Affairs & Company Secretary
(F-2805)

DIRECTORS' REPORT

DEAR SHAREHOLDERS,

Your Directors have pleasure in presenting their 75th Annual Report together with the Audited Financial Statements for the period ended 31st March, 2015.

GENERAL:

All India Production of Sugar for the Season 2014-15 is expected to reach 280 Lakh tonnes, as compared to the previous year's production of 243 Lakh tonnes. The Government of India, has continued with the decontrol mechanism.

Our total sugar cane crushing at Ugar and Jewargi during the season 2014-15 was 20.07 Lakh MT, bagging 23.13 Lakh Qtls of sugar and recovery 11.61% and 10.62 % respectively.

FINANCIAL RESULTS:

The brief financial results of the Company are as shown below:

Particulars	31.03.2015 Rs. in Lakh	31.03.2014 Rs. in Lakh
Profit before Depreciation & Amortisation	960.03	(194.85)
Depreciation & Amortisation	1,546.39	(2,560.60)
Profit Before Tax / (Loss) & Exceptional items	(586.36)	(2,755.45)
Exceptional items	—	—
Provision for Tax, (including deferred tax adjustment, short provision for tax) / MAT Credit entitlement	(261.31)	220.42
Profit after Tax / Net Profit / (Loss)	(325.05)	(2,975.87)
Balance of profit brought forward from previous year	(2,712.14)	263.73
Profit available for appropriation	(3,037.19)	(2,712.14)
Balance Carried in Profit and Loss Account	(3,037.19)	(2,712.14)
Earnings Per Share (EPS)	(0.29)	(2.65)

Explanation for Loss – During the year the Company has shown an operating loss of Rs. 586.36 i.e Loss Before Tax. As compared to previous year, the loss has come down. The Loss is due to the falling sugar prices and low realisation of sugar than the cost of production.

DIVIDEND:

Your directors have not recommended any dividend for the current financial year 2014-15.

OPERATIONS:

SUGAR AT UGAR:

Particulars	Sugar Season 2014-15	Sugar Season 2013-14
Date of beginning of crushing season	30-11-2014	01-12-2013
Date of ending of crushing season	22-04-2015	06-04-2014
Number of Working Days	144	127
Sugar Cane Crushed (Lakh MT)	15.76	13.20
Recovery	11.61%	11.53%
Sugar Produced (Lakh Qlts.)	18.52	15.31

SUGAR AT JEWARGI :

Particulars	Sugar Season 2014-15	Sugar Season 2013-14
Date of beginning of crushing season	30-11-2014	27-11-2013
Date of ending of crushing season	23-04-2015	11-04-2014
Number of Working Days	145	136
Sugar Cane Crushed (Lakh MT)	4.31	4.05
Recovery	10.62%	10.45%
Sugar Produced (Lakh Qlts.)	4.61	4.25

DISTILLERY, IML PRODUCTION & ELECTRICITY GENERATION :

Particulars	Unit	Financial Year 2014-15	Financial Year 2013-14
Rectified Spirit Produced (Lakh BL)	Ugar	129.62	84.44
Denatured Spirit Produced (Lakh BL)	Ugar	37.13	15.45
Potable Alcohol Produced (Lakh BL)	Ugar	94.51	94.97
Electricity Generated (Lakh KW)	Ugar	1071.58	923.98
Electricity Exported (Lakh KW)	Ugar	598.76	461.30
Electricity Generated (Lakh KW)	Jewargi	374.55	349.90
Electricity Exported (Lakh KW)	Jewargi	248.66	210.58

Your Directors expect to procure about 22 Lakh MT sugarcane at Ugar and Jewargi Units during 2015-16 crushing season.

ENVIRONMENTAL SAFETY:

Our Company continues to pursue its environmental friendly approach towards Industrial growth. Constant improvements are being made in the process and equipments, to minimize the discharge of effluents and emissions.