

THE UGAR SUGAR WORKS LIMITED

CIN: L15421PN1939PLC006738

76TH ANNUAL REPORT 2015-16

Name	Designation
Shri. R. V. Shirgaokar	Chairman Emeritus

BOARD OF DIRECTORS (As on 20 th May, 2016)		
Sr. No.	Name	Designation
1	Mr. P. V. Shirgaokar	Chairman
2	Mr. Shishir S. Shirgaokar	Non Executive Director
3	Mr. V. Balasubramanian (I.A.S. Retired)	Independent Director
4	Dr. M. R. Desai	Independent Director
5	Mr. M. G. Joshi	Independent Director
6	Mr. D. B. Shah	Independent Director
7	Mr. Rakesh Kapoor	Independent Director
8	Mr. Deepak Ghaisas	Independent Director
9	Mr. Hari Y Athawale	Independent Director
10	Mr. Sachin R. Shirgaokar	Non Executive Director
11	Mr. Sohan S. Shirgaokar	Non Executive Director
12	Mrs. Shilpa Kumar	Non Executive Woman Director
13	Mr. Niraj S. Shirgaokar	Managing Director
14	Mr. Chandan S. Shirgaokar	Managing Director

GM Corporate Affairs & Company Secretary
Compliance Officer

Shri. B. G. Kulkarni
Ugarkhurd 591 316 (Dist- Belgaum)
Phone: 08339-274000
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: 08339-274000
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 23RD DAY OF SEPTEMBER, 2016 AT 11.00 A.M. AT
DECCAN MANUFACTURERS ASSOCIATION,
MADHAVNAGAR ROAD, SANGLI - 416 416.**

THE UGAR SUGAR WORKS LIMITED

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

NOTICE

NOTICE is hereby given that Seventy Sixth Annual General Meeting of THE UGAR SUGAR WORKS LIMITED will be held on FRIDAY, the 23rd day of September, 2016 at 11.00 a.m., at Deccan Manufacturers Association, Madhav Nagar Road, Sangli- 416 416 to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the audited Balance Sheet as on 31st March, 2016 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 declare dividend.
3. To appoint a Director in place of Mr. Shishir. S. Shirgaokar (DIN NO- 00166189) who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Sachin. R. Shirgaokar (DIN NO- 01512497) who retires by rotation and being eligible, offers himself for re-appointment.
5. 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:

6. **To consider and if thought fit, to pass, with or without modifications, 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, Mr. Hari Y Athawale (DIN NO-7335718), who was appointed by the Board of Directors of the Company as an Additional Independent Director on 06th November, 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 Mr. Hari Y Athawale, for the office of Director, being eligible, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation for a period up to 5 years, (2021).”

7. **To consider and if thought fit, to pass, with or without modifications, 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 amended from time to time, Mr.. M.G.Joshi (DIN NO- 01454125) 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 up to 3 years, (2019)

8. To consider and if thought fit, to pass, with or without modifications, 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 thereunder, read with Schedule IV of the Act, as amended from time to time, Mr. D. B. Shah (DIN NO- 01822411) 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 up to 3 years, (2019)

9. To consider and if thought fit, to pass, with or without modifications, following resolution as a SPECIAL RESOLUTION:

“Resolved that, pursuant to Section 197, Section 198 and other applicable provisions, if any, of the Companies Act, 2013 and Schedule V thereto and subject to such other provisions, as may be applicable the consent of the Company be and is hereby accorded for modification of the resolution No. 6 passed by postal ballot on 22nd August 2015 and the revision of remuneration payable to Mr. Niraj S. Shirgaokar, Managing Director, with effect from 1/4/2016 for the remaining period of his appointment i.e. up to 31/3/2018, with the remuneration and terms and conditions as embodied in draft agreements between the Company and Mr. Niraj S. Shirgaokar, Managing Director, the draft agreement whereof for the purpose of identification is placed before this meeting and which agreement is hereby specifically approved with the liberty to the Board of Directors to vary and alter the terms and conditions in the agreement, provided, however, that the remuneration and perquisites payable to the said Mr. Niraj S. Shirgaokar, Managing Director, shall not exceed the limit specified in Schedule-V.”

10. To consider and if thought fit, to pass, with or without modifications, following resolution as a SPECIAL RESOLUTION:

“Resolved that, pursuant to Section 197, Section 198 and other applicable provisions, if any, of the Companies Act, 2013 and Schedule V thereto and subject to such other provisions, as may be applicable the consent of the Company be and is hereby accorded for modification of the resolution No. 7 passed by postal ballot on 22nd August 2015 and the revision of remuneration payable to Mr. Chandan S. Shirgaokar, Managing Director, with effect from 1/4/2016 for the remaining period of his appointment i.e. up to 31/3/2018, with the remuneration and terms and conditions as embodied in draft agreements between the Company and Mr. Chandan S. Shirgaokar, Managing Director, the draft agreement whereof for the purpose of identification is placed before this meeting and which agreement is hereby specifically approved with the liberty to the Board of Directors to vary and alter the terms and conditions in the agreement, provided, however, that the remuneration and perquisites payable to the said Mr. Chandan S. Shirgaokar, Managing Director, shall not exceed the limit specified in Schedule-V.”

11. 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, Mr. Vikas Vinayak Deodhar, Practising Cost Accountant, Mumbai, (M. No. 3813) who was appointed by the Board of Directors of the Company in their meeting held on 20th May, 2016, as a Cost Auditor, to audit the cost records, as may be ordered by the Central Government, on a remuneration of Rs. 2,00,000 (Rupees Two Lakh only) plus reimbursement of out of pocket expenses plus Service Tax as applicable, for the Financial Year 2016-17 be and is hereby ratified.”

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

“Resolved that the company hereby accords its approval to Board of Directors for making contribution to the charitable and other funds in excess of the limit prescribed under section 181 of the Companies Act, 2013, by an amount not exceeding Rs. 25 Lakh p.a.”

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

“Resolved that, pursuant to the provisions of Section 73 and section 76 of Companies Act read with Companies (Acceptance of Deposits) Rules, 2014, consent of shareholders of the company be and is hereby accorded to the Board of Directors of the Company including any committee thereof, for inviting and accepting unsecured deposits from public including directors and members of the company subject to the maximum aggregating amount of not more than Rs.30 Crores (Rupees Thirty Crores only), in accordance with the provisions of Companies (Acceptance of Deposits) Rules, 2014, as framed under section 73 and section 76 of the Companies Act, 2013.

Resolved further that, the Board of Directors including a committee thereof be and is hereby authorized to, obtain credit rating, take insurance and to take all other necessary steps as may be required for giving effect to this resolution.”

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

B. G. Kulkarni

GM Corporate Affairs & Company Secretary
(F-2805)

Regd. Office: Mahaveer Nagar, Sangli – 416416.

Place : Pune

Date : 20-05-2016

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 12th September, 2016 to 23rd September, 2016 (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 Nos. 6 to 13 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 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 2009-10, 2010-11, 2013-14 and 2014-15.)
 - 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 2007-08 has already been transferred on 05/09/2015.
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 transferee (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. 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 76th Annual General Meeting of the Company.

11. 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

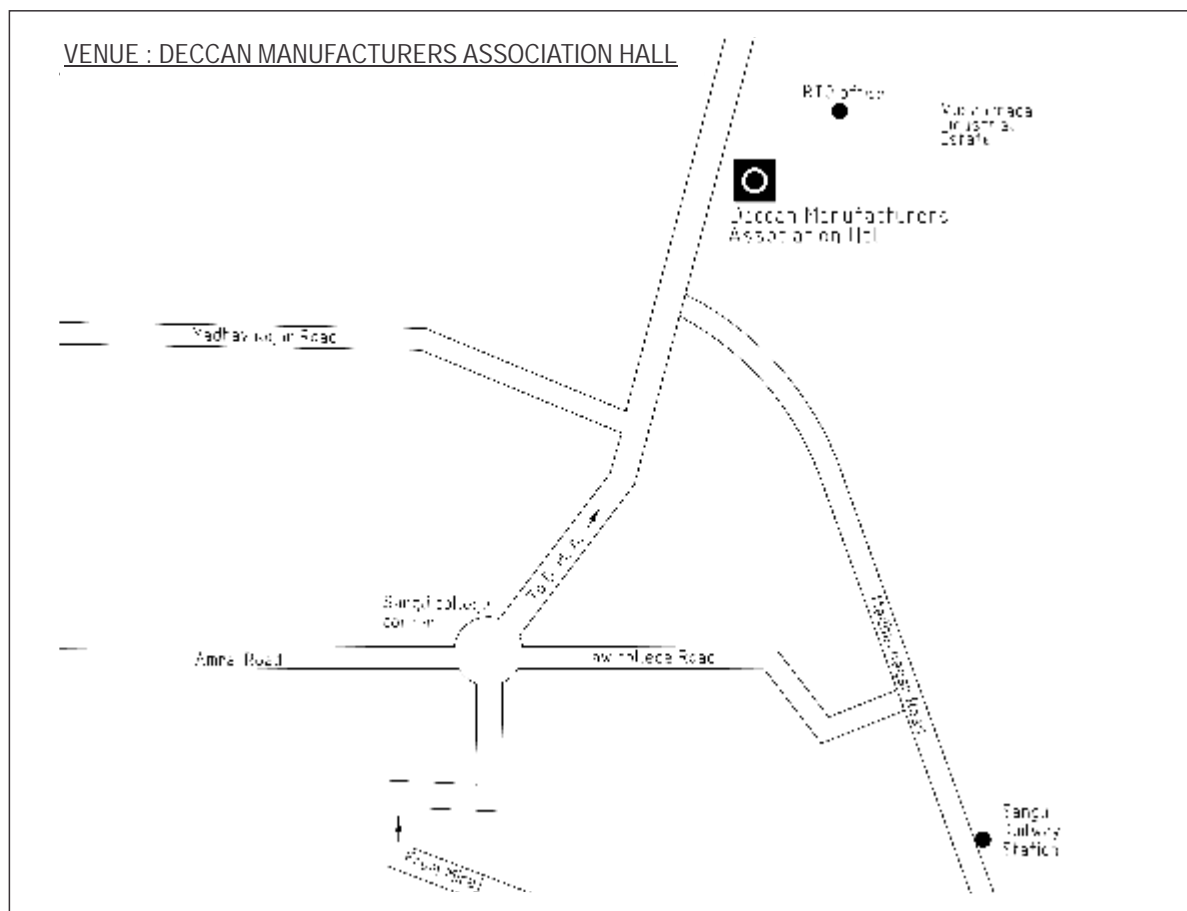
transacted through e-Voting Services provided by National Securities Depository Limited (NSDL). For conducting this e-voting activity in a fair and transparent manner, the Board of Directors have appointed M/s. Abhay R. Gulavani, Practising Company Secretary (ACS 28983) as Scrutinizer.

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 an 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 20th September, 2016 (10:00 a.m.) and ends on 22nd September, 2016 (5:00 p.m.). 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 16th September, 2016, 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 12th September, 2016.
- VII. 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 16th September, 2016 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 witnesses 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.

ROAD MAP TO AGM VENUE



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. 6 to 13 mentioned in the accompanying Notice dated 20th May, 2016 and should be taken as forming part of it.

Item Nos. 6, 7 & 8:

- Mr. Hari Y. Athawale, aged 77 is appointed as an additional Independent and Non-Executive Director on 6th November, 2015. He is Master in Science (Major-Statistics) from Pune University (1962) and Diploma in Systems Analysis from New York University, New York (1985). He has over 22 years of the Banking experience in State Bank of India, the largest commercial bank in India, in Senior Executive Positions covering various responsibilities. He has also worked with State Bank of India, New York Office, Bank of New Zealand, New York, ICICI Ltd which later became ICICI Bank Ltd. He holds 39240 equity shares in the Company as on 31.03.2016. His directorship & committee membership in other companies is given below.

Sr.No	Directorship in other Companies	Audit Committee	Shareholder's / Investor Grievances Committee
–	–	–	–

Nature of his expertise in specific functional areas;

- | | |
|------------------------|---------------------------------|
| 1) Corporate Financing | 3) Project Appraisal |
| 2) Fund Raising | 4) 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.6.

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

Mr. M. G. Joshi, aged 82 years, is on the Board of the Company since 30th December, 1997. Being a Sugar Technologist, he renders technical services to various sugar factories. He retired as Vice President of Walchandnagar Industries Ltd. He received the "Life Time Achievement Award" from DSTA in the year 2012. He holds 21,000 shares of the Company as on 31.03.2016. His directorship & committee membership in other public companies is given below.

Sr.No	Directorship in other Companies	Audit Committee	Shareholder's / Investor Grievances Committee
1	Ugar Consultancy Limited (under liquidation)	--	--

Nature of his expertise in specific functional areas;

- | | |
|--|-------------------------|
| 1) Overall functioning of the Sugar Industry | 3) Technical Expertise. |
| 2) Project Technologists & Appraisal | |

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. 7

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

- Mr. D. B. Shah, aged 75 years, joined the Board of the Company on 28th March, 2005. He is an agriculturist and a social worker. He holds 35,000 shares of the Company as on 31.03.2016. His directorship & committee membership in other public companies is given below..

Sr.No	Directorship in other Companies	Audit Committee	Shareholder's / Investor Grievances Committee
–	–	–	–

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. 8.

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

Item Nos. 9 & 10:

The present arrangement with the Executive Directors is valid upto 31st March, 2018. The Board in its meeting held on 20th May, 2016, as recommended by Nomination and Remuneration Committee, has decided to revise the remuneration of Shri. Niraj Shishir Shirgaokar, and Shri. Chandan Sanjeev Shirgaokar as Managing Directors, w.e.f. 01st April, 2016 for the remaining period of his appointment i.e. unto 31/3/2018, subject to the approval of the members in the General Meeting. After the approval of the general body, necessary agreements will be executed.

The revision in the remuneration of, Shri Niraj Shishir Shirgaokar, and Shri. Chandan Sanjeev Shirgaokar as Managing Directors do not require the approval of the Central Government since these are in accordance with the conditions stipulated in Schedule V to the Companies Act 2013.

Pursuant to Regulation 36 (3) of SEBI listing (Obligations and Disclosure Requirements) Regulation 2015 the details of the Executive Directors, seeking re-appointment are as under:

Name	Shri. Niraj S. Shirgaokar	Shri. Chandan S. Shirgaokar
Designation	Managing Director	Managing Director
Date of Birth	25-05-1972	20-10-1977
Date of Appointment	01-04-2011	01-04-2011
No. of Shares held	2, 19, 214	4,76,466
Qualification	B.E. (Com. Engg.)	MCM
Experience	21 Years	16 Years
Directorship in other Companies	1) S B Reshellers P. Ltd. 2) Intellectual Research Services P. Ltd. 3) Synergy Green Ind. P Ltd. 4) Indian Sugar Exim Corporation Ltd.	1) Ugar Pipe Ind. Pvt Ltd. 2) B B Theaters Pvt Ltd. 3) S.S.Shirgaokar Enterprises Pvt Ltd 4) Vinayak Shirgaokar Investment Pvt Ltd 5) Sangli Fabricators Pvt Ltd 6) S B Reshellers Pvt. Ltd. 7) Suresh Shirgaokar Enterprises Pvt Ltd. 8) Synergy Green Ind. P Ltd.

Subject to the superintendence, control and direction of the Board of Directors Shri. Niraj Shishir Shirgaokar and Shri Chandan Sanjeev Shirgaokar the Managing Directors, shall be responsible for the general conduct and management of the business of the Jewargi Unit & Ugar Unit of the Company respectively and shall exercise, subject to such restrictions as may be imposed by the board, the powers vested by the Board and Executive Vice Chairman.

The revision in the remuneration and other terms and conditions are embodied in draft agreements between the Company and Shri. Niraj Shishir Shirgaokar and Shri Chandan Sanjeev Shirgaokar as Managing Directors, Pursuant to Section 196, 197 of the Companies Act, 2013, abstract of the material terms of appointment are enumerated below:

A) Basic Salary :

- a) Managing Directors (MDs)

Rs.3,50,000 per month. (Previous Salary Rs. 2,50,000 per month)