



THE UGAR SUGAR WORKS LIMITED

**69th ANNUAL REPORT
2008-09**



Old Castle Whisky - a Premium Brand of Ugar Sugar

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Sandpiper Brandy & Whisky of Ugar Sugar shortly introducing to market

The Ugar Sugar Works Limited

Regd. Office: Mahaveernagar, Sangli 416416.

69th ANNUAL REPORT 2008-09

BOARD OF DIRECTORS (As on 26-07-2009)

| | |
|--|--------------------|
| Shri. R. V. Shirgaokar | Chairman & Mentor |
| Shri. B. N. Kalyani | Director |
| Shri. A. B. Kage | Director |
| Shri. S. N. Inamdar | Director |
| Shri. V. Balasubramanian (I.A.S. Retired) | Director |
| Shri. M. G. Joshi | Director |
| Dr. M. R. Desai | Director |
| Shri. D. B. Shah | Director |
| Shri. B. S. Patil (I.A.S. Retired) | Director |
| Shri. P. V. Shirgaokar | Managing Director |
| Shri. Shishir S. Shirgaokar | Executive Director |

**Company Secretary &
Compliance Officer**
Shri. B. G. Kulkarni
Ugarkhurd 591 316
(Dist- Belgaum)
Phone: 08339-272230
Fax: 08339-272232

Auditors
M/s. P. G. Bhagwat
Chartered Accountants
Manoj Arcade, Tilakwadi,
Belgaum: 590 006
Phone: 0831-2429306

THE UGAR SUGAR WORKS LIMITED

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Registered Office :

Mahaveernagar, Sangli 416416
 Phone : 0233-2623716, 2623717
 Fax : 0233-2623617.

Factory & Administrative Office:

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

Registrar & Transfer Agent :

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

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

● **Bankers** ●

Central Bank of India
 Bank of Baroda
 Union Bank of India
 The IDBI Bank Ltd.
 Rabo International

ICICI Bank Ltd.
 HDFC Bank Ltd.
 AXIS Bank Ltd.
 Bank of India.

Annual General Meeting

SATURDAY, THE 19TH SEPTEMBER, 2009 AT 11.00 A.M.
AT RAJMATI BHAVAN, NEMINATH NAGAR, OPP GUEST HOUSE,
SANGLI 416416, Ph. No. : 0233 - 2302380.

THE UGAR SUGAR WORKS LIMITED

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

NOTICE

NOTICE is hereby given that Sixty-ninth Annual General Meeting of THE UGAR SUGAR WORKS LIMITED will be held on Saturday, the 19th day of September, 2009 at 11.00 a.m. at Rajmati Bhavan, Neminath Nagar, Sangli to transact the following business:

Ordinary Business :

1. To receive, consider and adopt the audited Balance Sheet as on 31st March, 2009 and the audited Profit and Loss Account for the period ended as 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. B. N. Kalyani, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Dr. M. R. Desai, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Shri. V. Balasubramanian, 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, following resolution as an Ordinary Resolution:

"Resolved that, Shri. R. V. Shirgaokar, who was appointed by the Board of Directors of the Company as an Additional Director on 01st April, 2009, holds office up to the date of this Annual General Meeting and in respect of whom, a notice in writing under section 257 of the Companies Act, 1956 has been received from a member signifying his intention to propose the candidature of Shri. R. V. Shirgaokar, for the office of Director, being eligible, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

8. 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 269, read together with Schedule XIII of the Companies Act, 1956, section 309 (3), 193 (4), 310 and other applicable provisions of the said Act, the Company hereby accords its approval to the appointment of Shri. Prafulla Vinayak Shirgaokar as Managing Director of the Company for a period of 2 (two) years from 01/04/2009 to 31/03/2011 on the terms and the conditions set out in the draft Agreement, a copy thereof initialled by the

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Chairman for the purpose of identification and submitted to and produced at this meeting which terms and conditions are hereby specifically sanctioned."

9. 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 269, read together with Schedule XIII of the Companies Act, 1956, section 309 (3), 193 (4), 310 and other applicable provisions of the said Act, the Company hereby accords its approval to the appointment of Shri. Shishir Suresh Shirgaokar as Executive Director of the Company for a period of 2 (two) years from 01/04/2009 to 31/03/2011 on the terms and the conditions set out in the draft Agreement, a copy thereof initialled by the Chairman for the purpose of identification and submitted to and produced at this meeting which terms and conditions are hereby specifically sanctioned."

10. 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 314(1) (b) and other applicable provisions, if any, of the Companies Act, 1956, the Company hereby accords its approval, subject to the approval of Central Government to Shri. Niraj Shishir Shirgaokar, son of Shri. Shishir S. Shirgaokar, Executive Director of the Company, to hold and continue to hold the office of Vice President in the company for a period of three years from 01/04/2009 to 31/03/2012 on the basic salary of Rs. 75,000 per month in the Grade of A - III i.e. 20,000-1,000- 25,000-2,000- 35,000-3,000-50,000-4,000-70,000-5,000-95,000 and on other benefits as applicable to other employees of the Company in his grade including Provident Fund, Bonus, Gratuity, Variable Dearness Allowance, HRA, Superannuation's etc. Further the Managing Director is authorised to give him usual annual increment and special increment as the case may be, and to promote him in higher grade from time to time, subject to overall limit of salary and benefits not exceeding Rs. 3,00,000 per month."

11. 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 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. **Article No.2 under the heading Interpretation be substituted with the following new article:**
2. The marginal notes used in the Regulations of Table 'A' do not affect the construction of the regulations. In the interpretation of these Regulations, the following expressions have the following meanings unless repugnant to the subject or context:
 - 2.1 "The Act" means the Companies Act, 1956 (Act 1 of 1956) and the subsequent amendments or any statutory modifications or re-enactments of the Act for the time being in force.
 - 2.2 "Articles" means the Articles of Association of the Company as originally framed or as altered from time to time.
 - 2.3 "Annual General Meeting" means a general meeting of the members held in accordance with the provisions of Section 166 of the Act and any adjournment of such meeting.

- 2.4 "Auditors" means the person(s) appointed as auditors of the Company in accordance with the provisions of the Act.
- 2.5 "Beneficial Owner" means the beneficial owner as defined in clause (a) of sub-section (1) of Section 2 of the Depositories Act, 1996;
- 2.6 "Board" or the "Board of Directors" in relation to the Company means the Board of Directors of the Company.
- 2.7 "Body Corporate" or "Corporation" includes a Company incorporated outside India but does not include:
- (a) a corporation sole;
 - (b) a co-operative society registered under any law relating to co-operative societies; and
 - (c) any other body corporate (not being a Company as defined in the Act) which the Central Government may, by notification in the Official Gazette, specify in this behalf.
- 2.8 "Business day" means a day other than a Sunday, on which the Principal Commercial Banks are open for business during normal banking hours.
- 2.9 "The Company" or "this Company" means The Ugar Sugar Works Limited.
- 2.10 "Corporation" includes a Company whether incorporated and formed under the Act or not.
- 2.11 "The Chairman" means the Chairman of the Board of Directors for the time being of the Company.
- 2.12 "Capital" means the share capital for the time being raised or authorized to be raised for the purposes of the Company.
- 2.13 "Depository" means a Depository as defined under clause (e) of sub-section (1) of Section 2 of the Depositories Act, 1996.
- 2.14 "The Directors" means the Directors for the time being of the Company or as the case may be the directors assembled at a meeting of the Board or Directors acting by Circular Resolution or by means of telephone, television or through any other audio visual media / links under the Article.
- 2.15 "Dividend" includes interim dividend.
- 2.16 "Depositories Act" means the Depositories Act 1996 and subsequent amendments thereto or any statutory modifications or re-enactments thereof for the time being in force.
- 2.17 "Debenture" includes debenture stock, bonds and any other securities of the Company, whether constituting a charge on the assets of the Company or not.
- 2.18 "Document" includes summons, notice, requisition, order, other legal process and registers, whether issued, sent or kept in pursuance of this or any other Act or otherwise.
- 2.19 "Extraordinary General Meeting" means general meeting of the members other than Annual General Meeting duly called and constituted and any adjourned meeting.
- 2.20 "Executor" or "Administrator" means a person who had obtained Probate or Letters of Administration, as the case may be, from some competent court.
- 2.21 "Managing Director" means a Director who, by virtue of an agreement with the Company or a resolution passed by the Company in general meeting or by its Board or its Memorandum and Articles of Association is entrusted with substantial powers of management

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- 2.22 "Member" means the duly registered holder from time to time of the Shares of the Company and includes the subscribers to the Memorandum of the Company.
- 2.23 "Memorandum" or "Memorandum of Association" means the Memorandum of Association of the Company as originally framed or as altered from time to time.
- 2.24 "Month" means a calendar month.
- 2.25 "Office" means the Registered Office of the Company.
- 2.26 "Ordinary Resolution" and "Special Resolution" have the meaning assigned to them respectively by Section 189 of the Act.
- 2.27 "Paid-up Capital" or "Capital paid-up" includes Capital credited as paid-up.
- 2.28 "The President" means the President of India.
- 2.29 "Person" includes any individual, sole proprietorship, partnership, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate and a natural person in his capacity as trustee, executor, administrator, or other legal representative or any other entity recognized by applicable law.
- 2.30 "Proxy" includes attorney duly constituted under the power of attorney.
- 2.31 "Public Holiday" means a Public Holiday within the meaning of the Negotiable Instruments Act, 1881 (XXVI of 1881); provided that no day declared by the Central Government to be a public holiday shall be deemed to be such a holiday in relation to any meeting unless the declaration was notified before the issue of the notice convening such meeting.
- 2.32 "Registrar" means the Registrar of Companies of the state in which the Registered Office of the Company is for the time being situated.
- 2.33 "Regulations" or "Regulations of the Company" means the regulations as contained in these Articles.
- 2.34 "Secretary" means any individual possessing the prescribed qualifications appointed to perform the duties which may be performed by a Secretary under the Act and any other ministerial or administrative duties.
- 2.35 "Section" or "Sections" means a Section of the Act for the time being in force.
- 2.36 "Shares" means the shares or stock into which the capital is divided and the interest corresponding with such shares or stock.
- 2.37 "Seal" means the common seal for the time being of the Company.
- 2.38 "In writing" and "written" include printing, lithography and other modes representing or reproducing words in a visible form.
- 2.39 "Year" means a calendar year and "Financial Year" means "financial year" as defined in section 2(17) of the Act.
- 2.40 "SEBI" means the Securities and Exchange Board of India, established pursuant to section 3 of the Securities and Exchange Board of India Act, 1992.

- 2.41 The regulations in the Articles are subject to the provisions of the Act, Rules and Regulations made under that Act and the listing agreement between the Company and any recognized stock exchange, and if there is any conflict between these regulations and the provisions of the Act, Rules, Regulations and listing agreement, the latter shall prevail.
- 2.42 The regulations contained in the Articles are for the management of the Company and observation by its members and their representatives, subject to any exercise of the statutory powers of the Company by the repeal or alteration of or addition to these regulations by special resolution under section 31 of the Act.

After Article 3 the following New Article 3A be inserted:

- 3A.1 (a) The authorized share capital of the Company will be of such amount and of such description as is stated for the time being or at any time in the Company's Memorandum.
- (b) The Company may issue-
- equity shares with equal rights;
 - equity shares with differential rights as to dividend, voting or otherwise (including non-voting shares);
 - preference shares; or
 - any other kind of shares.
- (c) The company may issue sweat equity shares to employees and/or directors in accordance with section 79A of the Act.
- (d) The Company may purchase any of its own fully paid up shares whether or not they are redeemable and may make a payment out of capital in respect of such purchase.
- 3A.2 (a) The Company may issue preference shares which are, at the option of the Company, liable to be redeemed:
- (b) However:-
- (i) no such shares shall be redeemed except out of the profits of the Company which are available for distribution by way of dividends or out of the proceeds of a fresh issue of shares made for the purpose of redemption of such preference shares;
 - (ii) no such shares shall be redeemed unless they are fully paid;
 - (iii) the premium, if any, payable on redemption will be provided out of the profits of the Company or out of the Company's share premium account before the shares are redeemed;
 - (iv) if any such shares are redeemed otherwise than out of the proceeds of a fresh issue of shares, a sum equal to the nominal amount of the shares redeemed out of profits which would be available for distribution by way of dividends, shall be transferred to a reserve account to be called "Capital Redemption Reserve Account", and the provisions of the Act relating to the reduction of the share capital of the Company shall apply, except as provided in section 80 of the Act, as if the Capital Redemption Reserve Account were paid-up share capital of the Company.

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- (c) Subject to the terms of issue of the shares, the redemption of preference shares may be effected on such terms and in such manner as may be provided in the Articles or by the terms of their issue and in such manner as the Directors may think fit.
- (d) The redemption of preference shares by the Company will not result in the reduction of its authorized share capital.
- (e) If the Company has redeemed, or is about to redeem, any preference shares, it may issue new shares of an amount up to the nominal amount of the shares redeemed or to be redeemed; and accordingly for the purpose of calculating the fees payable under section 611 of the Act the share capital of the Company shall not, be deemed to be increased by the issue of new shares in terms of this clause.
- (f) However, if new shares are issued before the redemption of the shares, the new shares shall not, for the purpose of stamp duty payable in respect of the new shares, be deemed to have been issued in pursuance of this clause unless the old shares are redeemed within one month after the issue of the new shares.
- (g) The Capital Redemption Reserve Account may be applied by the Company in paying up un issued shares of the Company to be issued to members of the Company as fully paid bonus shares.

3A.3 The Company may at any time, either at one time or from time to time as the Company thinks fit, redeem the whole or part of the preference shares for the time being outstanding by payment of their nominal amount with dividend accrued up to the date or dates notified for payment. (For this purpose, the dividend shall be deemed to accrue and be due from day to day).

3A.4 The Company may by special resolution, subject to confirmation by the Court or such other authority as may be prescribed and subject to the applicable provisions of the Act, reduce its share capital and any Capital Redemption Reserve Account or share/securities premium account in any manner for the time being authorized by law and in particular, without prejudice to the general power mentioned above, may do so by:

- (a) extinguishing or reducing the liability on any of its shares in respect of share capital not paid up;
- (b) either with or without extinguishing or reducing liability on any of its shares, cancel paid up share capital which is lost or is unrepresented by available assets; or
- (c) either with or without extinguishing or reducing liability on any of its shares, pay off any paid up share capital which is in excess of the wants of the Company; and may alter its Memorandum by reducing the amount of its share capital and of its shares accordingly.

3A.5 If at any time, by reason of the issue of preference shares or otherwise, the share capital of the Company is divided into different classes of shares, all or any of the rights and privileges, attached to each class may, whether or not the Company is being wound up, be varied in any manner if such variation is-

- (a) consented to in writing by the holders of at least three-fourths of the nominal value of the issued shares of that class, or
- (b) sanctioned by a special resolution passed at a separate meeting of that class and approved by the votes of at least three-fourths of the holders of the shares of that class and all the provisions set out below as to general meeting will apply with necessary changes to every such meeting.