



**80th
ANNUAL
REPORT**

2019-2020

The Ugar Sugar Works Limited



Available on Flipkart and Tata Cliq

UGAR SUGAR HAND SANITIZER AVAILABLE ON

 **Flipkart**  **TATA CLIQ**

80% Alcohol Based Liquid Sanitizer



**Super Saver 5L Can
Kills 99.9% Germs**

HEALTHY HANDS OF HEALTHY INDIA, SPREAD LOVE NOT VIRUS

For Bulk Inquiries, Contact: +91 (0)8339 274000 or helpdesk@ugarsugar.com

THE UGAR SUGAR WORKS LIMITED

CIN: L15421PN1939PLC006738

80TH ANNUAL REPORT 2019-20

Name	Designation
Shri. R. V. Shirgaokar	Chairman Emeritus

BOARD OF DIRECTORS (As on 14-08-2020)		
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. Shripad S. Gangavati	Independent Director
6	Mr. D. B. Shah	Independent Director
7	Mr. Rakesh Kapoor	Independent Director
8	Mrs. Suneeta S. Thakur	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 **Auditors**
Compliance Officer

Mr. B. G. Kulkarni
Mahaveernagar, Sangli 416 416
Phone: 0233-2623716, 2623717
Fax: 0233-2623617.
Email: usw.sangli@ugarsugar.com

M/s. Kirtane & Pandit LLP
Chartered Accountants
5th Floor, Wing A, Gopal House,
S No.127/1B/1, Plot A1,
Pune - 411029
Phone: 020-67295100

CONTENTS

Sr. No	Particulars	Page No.
1.	Notice of Annual General Meeting	03 - 12
2.	Directors' Report with Annexures	13 - 42
3.	Management Discussion & Analysis	42 - 43
4.	Corporate Governance Report	44 - 62
5.	Auditors' Report with Annexure	63 - 72
6.	Balance Sheet	73 - 75
7.	Profit and Loss Account	76 - 77
8.	Cash Flow Statement	78 - 78
9.	Notes to Financial Statements	79 - 139
10.	Consolidated Financials	140 - 212
11.	Progress of the Company for the last 25 years	213 - 213

Registered Office:

Mahaveernagar, Sangli 416 416.
Phone : 0233-2623716, 2623717
Fax : 0233-2623617.
Email: usw.sangli@ugarsugar.com

Registrar & Transfer Agent:

Bigshare Services Pvt. Ltd.
1st Floor, Bharat Tin Works Building,
Opp. Vasant Oasis, Makwana Road,
Marol, Andheri East, MUMBAI – 400 059. (MAH)
Ph. No. 022-62638200, Fax No. 022-62638299

Administrative Office:

Ugarkhurd 591 316 (Dist- Belagavi)
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

Bank of Dombivle Nagari Sahakari Bank Ltd.
Union Bank of India
Sangli Urban Co-op Bank Ltd.

ANNUAL GENERAL MEETING

**Wednesday, the 23rd day of September, 2020 AT 3.00pm, through
VC/OAVM.**

THE UGAR SUGAR WORKS LIMITED
REGD. OFFICE: MAHAVEERNAGAR [WAKHAR BHAG], SANGLI- 416416.

NOTICE

NOTICE is hereby given that 80th Annual General Meeting of THE UGAR SUGAR WORKS LIMITED will be held on the Wednesday the 23rd day of September, 2020 at 03.00 p.m. through Video Conferencing (VC)/OAVM for which purpose the Registered Office of the Company situated at Mahaveer Nagar, Wakhar Bhag Sangli 416416 shall be deemed as the venue for the Meeting and the proceedings of AGM shall be deemed to be made thereat, to transact the following business:

Ordinary Business:

1. To receive, consider and adopt

- a) The audited Balance Sheet as on 31st March, 2020 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, and
 - b) The Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2020, together with the Report of the Auditors thereon.
2. To declare dividend.
 3. To appoint a Director in place of Mr. Prafulla Vinayak Shirgaokar (DIN NO- 00151114) who retires by rotation and being eligible, offers himself for re-appointment.
 4. To appoint a Director in place of Mrs. Shilpa Kumar (DIN NO- 02404667) who retires by rotation and being eligible, offers herself for re-appointment.

Special Business:

5. Continuation of directorship of Mr. P V Shirgaokar as a non-executive director of the Company, liable to retire by rotation:

To consider and if thought fit, to pass the following resolution as a Special Resolution.

“RESOLVED THAT, pursuant to applicable provisions of the Companies Act, 2013 and rules made there under including any statutory modifications or re-enactment thereof, Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in accordance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, approval of the members be and is hereby accorded for continuation of Mr. P V Shirgaokar as a Non-Executive Director of the Company, who has already attained the age of 75 years for further period of three years as Non – Executive Director from conclusion of this Annual General Meeting till the conclusion of Annual General Meeting to be held in the year 2023.

RESOLVED FURTHER THAT, the Board of Directors and/or the Company Secretary, be and are hereby authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution”.

6. 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, Practicing Cost Accountant, Mumbai, (M. No. 3813) who was appointed by the Board of Directors of the Company in their meeting held on 26th June, 2020 as a Cost Auditor, to audit the cost records, as may be ordered by the Central Government, on a remuneration of Rs. 2,30,000 (Rupees Two Lakh Thirty Thousand only) plus reimbursement of out of pocket expenses plus Taxes as applicable, for the Financial Year 2020-21 be and is hereby ratified.

Place : Regd. Office: Mahaveer Nagar,
Sangli – 416416.

Date : 14-08-2020

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

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

NOTES

- i. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its Circular No. 20 dated May 5, 2020 read with Circular No. 14 dated April 8, 2020 and Circular No. 17 dated April 13, 2020 (hereinafter collectively referred to as “MCA Circulars”) permitted the holding of Annual General Meeting through VC or OAVM without the physical presence of Members at a common venue. In compliance with these MCA Circulars and the relevant provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Annual General Meeting of the Members of the Company is being held through VC/OAVM.
- ii. Pursuant to the provisions of the Companies Act, 2013, a Member entitled to attend and vote at the Annual General Meeting 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. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the Annual General Meeting and hence the Proxy Form and Attendance Slip are not annexed to the Notice
- iii. Members attending the meeting through VC/OAVM shall be counted for the purposes of reckoning the quorum under Section 103 of the Companies Act, 2013.
- iv. Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy (PDF/JPEG Format) of its Board Resolution or governing body Resolution/Authorization etc., authorising its representative to attend the Annual General Meeting through VC/OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent through email to the Company at evoting@ugarsugar.com and to the Scrutinizer at abhaygulavani@rediffmail.com
- v. During the AGM, Members may access the scanned copy of Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Act on the website of the Company
- vi. The Register of Members and Share Transfer Books shall remain closed from 12th September 2020 to 23rd September 2020 (both days inclusive) for the purpose of AGM and Dividend.
- vii. The members who have not yet encashed their dividend warrants for the years 2012-13, 2015-16 and 2016-17 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 2013-14, 2014-15, 2017-18 and 2018-19.)
- viii. Pursuant to provisions of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended from time to time, Company was required to transfer the Shares in respect of which Dividend has not been paid / claimed for seven consecutive years or more to IEPF Authority up to the financial year ended 2012-13. Accordingly Company has to transfer the equity shares to IEPF Authorities Demat Account
- ix. The Statement setting out the material facts pursuant to Section 102(1) of the Companies Act, 2013(the Act), Special Business Nos.5 & 6 in the Notice and is annexed hereto and forms part of this Notice.
- x. **Permanent Account Number(PAN)**

The Securities and Exchange Board of India (SEBI) has mandated the submission of PAN by every participant in securities market. Members are requested to submit their PAN to their DPs Members are

requested to inform change in address or Bank mandate to their respective DPs with whom they are maintaining their demat accounts.

- xi. In case members wish to ask for any information about accounts and operations of the Company, they are requested to send their queries in writing at least 7 days in advance of the date of the meeting at evoting@ugarsugar.com so that the information can be made available at the time of the meeting.
- xii. The Notice of the Annual General Meeting along with the Annual Report for the financial year 2019-20 is being sent only by electronic mode to those Members whose email addresses are registered with the Company/Depositories in accordance with the aforesaid MCA Circulars and circular issued by SEBI dated May 12, 2020. Members may note that the Notice of Annual General Meeting and Annual Report for the financial year 2019-20 will also be available on the Company's website www.ugarsugar.com; website of the Stock Exchanges i.e. BSE Limited at www.bseindia.com, www.nseindia.com Members can attend and participate in the Annual General Meeting through VC/OAVM facility only.
- xiii. Those shareholders who have not registered their email address with their depository participant or wish to update a fresh email address may do so by approaching their respective depository participant. Alternatively, by submitting the enclosed E-mail Registration cum- Consent Form to the Company or the Registrar and Transfer Agent of the Company consenting to send the Annual Report and other documents in electronic form at the said e-mail address.

The Notice along with the Annual Report will also be available on the Company's website, viz., www.ugarsugar.com.

xiv. Voting through electronic means:

- I. In compliance with the provisions of Section 108 of the Companies Act, 2013, (the Act), read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as substituted by the Companies (Management and Administration) Rules, 2015, Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (the Regulations) and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, the Company is pleased to provide to the members the facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") is provided by Link Intime India Pvt. Ltd.
 - II. The remote e-voting period commences on 20th day of September, 2020(9:00 a.m. IST) and ends on 22nd day of September, 2020(5:00 p.m. IST). During this period, members' of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date of 16th day of September, 2020 may cast their vote by remote e-voting. The remote e-voting module shall be disabled by Link Intime India Pvt. Ltd for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
 - III. The process and manner for remote e-voting is as under:
- ❖ Log-in to e-Voting website of Link Intime India Private Limited (LI IPL)
1. Visit the e-voting system of LI IPL. Open web browser by typing the following URL: <https://instavote.linkintime.co.in>.
 2. Click on "Login" tab, available under 'Shareholders' section.
 3. Enter your User ID, password and image verification code (CAPTCHA) as shown on the screen and click on "SUBMIT".

4. Your User ID details are given below:

- a. Shareholders holding shares in demat account with NSDL: Your User ID is 8 Character DP ID followed by 8 Digit Client ID
- b. Shareholders holding shares in demat account with CDSL: Your User ID is 16 Digit Beneficiary ID
- c. Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company

5. Your Password details are given below:

If you are using e-Voting system of LIPL: <https://instavote.linkintime.co.in> for the first time or if you are holding shares in physical form, you need to follow the steps given below:

Click on “Sign Up” tab available under ‘Shareholders’ section register your details and set the password of your choice and confirm (The password should contain minimum 8 characters, at least one special character, at least one numeral, at least one alphabet and at least one capital letter).

If you are holding shares in demat form and had registered on to e-Voting system of LIPL: <https://instavote.linkintime.co.in>, and/or voted on an earlier voting of any company then you can use your existing password to login.

	For Shareholders holding shares in Demat Form or Physical Form
PAN	Enter your 10digit alpha-numeric PAN issued by Income Tax Department (applicable for both demat shareholders as well as physical shareholders). <ul style="list-style-type: none"> • Members who have not updated their PAN with depository Participant or in the company record are requested to use the sequence number which is printed on the email notice indicated in the PAN Field.
DOB/ DOI	Enter the DOB (Date of Birth)/ DOI (Date of Incorporation) as recorded with depository participant or in the company record for the said demat account or folio number in dd/mm/yyyy format.
Bank Account Number	Enter the Bank Account number (last four digits) as recorded in your demat account or in the company records for the said demat account or folio number. <ul style="list-style-type: none"> • Please enter the DOB/ DOI or Bank Account number in order to register. If the above mentioned details are not recorded with the depository participants or company, please enter Folio number in the Bank Account number field as mentioned in instruction (iv-c).

If Shareholders holding shares in Demat Form or Physical Form have forgotten password:

Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on “SUBMIT”.

In case shareholder is having valid email address, Password will be sent to the shareholders registered e-mail address. Else, shareholder can set the password of his/her choice by providing the information about the particulars of the Security Question & Answer, PAN, DOB/ DOI, Dividend Bank Details etc. and confirm. (The password should contain minimum 8 characters, at least one special character, at least one numerical, at least one alphabet and at least one capital letter)

NOTE: The password is to be used by demat shareholders for voting on the resolutions placed by the company in which they are a shareholder and eligible to vote, provided that the company opts for e-voting platform of LIPL.

For shareholders holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.

It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

❖ **Cast your vote electronically**

6. After successful login, you will be able to see the notification for e-voting on the home page of INSTA Vote. Select/ View “Event No” of the company, you choose to vote.
7. On the voting page, you will see “Resolution Description” and against the same the option “Favour/ Against” for voting.

Cast your vote by selecting appropriate option i.e. Favour/Against as desired.

Enter the number of shares (which represents no. of votes) as on the cut-off date under ‘Favour/Against’. You may also choose the option ‘Abstain’ and the shares held will not be counted under ‘Favour/Against’.

8. If you wish to view the entire Resolution details, click on the ‘View Resolutions’ File Link.
9. After selecting the appropriate option i.e. Favour/ Against as desired and you have decided to vote, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “YES”, else to change your vote, click on “NO” and accordingly modify your vote.
10. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.
11. You can also take the printout of the votes cast by you by clicking on “Print” option on the Voting page.

❖ **General Guidelines for shareholders:**

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to e-Voting system of LIPL: <https://instavote.linkintime.co.in> and register themselves as ‘Custodian / Mutual Fund / Corporate Body’.

They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the ‘Custodian / Mutual Fund / Corporate Body’ login for the Scrutinizer to verify the same.

- During the voting period, shareholders can login any number of time till they have voted on the resolution(s) for a particular “Event”.
 - Shareholders holding multiple folios/demat account shall choose the voting process separately for each of the folios/demat account.
 - In case the shareholders have any queries or issues regarding e-voting, please refer the Frequently Asked Questions (“FAQs”) and Instavote e-Voting manual available at <https://instavote.linkintime.co.in>, under Help section or write an email to enotices@linkintime.co.in or Call us :- Tel : 022 - 49186000.
- xv. 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. The cut-off date for determining eligibility of the member for e-voting is 16th September, 2020.