

# THE UGAR SUGAR WORKS LIMITED

**84<sup>TH</sup>**  
**ANNUAL**  
**REPORT**  
**2023-24**







## Mr. Sohan Sanjeev Shirgaokar

A Commerce graduate from the Chintamanrao Commerce College, Sangli (Shivaji University Kolhapur). He has completed his M.B.A. in Finance & Marketing from the Chintamanrao Institute of Management Development & Research Sangli, a unit of the Deccan Education Society, Pune.

He joined S. B. Reshellers Private Limited in the year 2005. Under his experienced leadership Company has successfully established its strong foot prints in overseas markets like Australia, South East Asia, Africa Region and North and South America. He also leads the Sugarcane cutting Harvester Division of the company.

He took a prime lead in establishing Synergy Green Industries Limited in the year 2010, the company, a state of the art Foundry, manufacturing Wind-turbine castings and other Heavy engineering castings for Gear Box, Mining etc.

He joined the Ugar Sugar Works Limited in the year 2014 as Non- Executive Director.

Presently, he is working with the S. B. Reshellers Pvt. Ltd., & Synergy Green Industries Ltd., as a Jt. Managing Director and Executive Director in the Ugar Sugar Works Limited w.e.f. 1<sup>st</sup> January 2024.

Currently, he is associated with Nutan Buddhibal Mandal, Sangli, Maharashtra as President, Deccan Sugar Technologist's Association, Pune, India as Vice President, Indo American Chamber of Commerce, Pune Branch, India as Chairman, Shirolu Manufacturers Association, Kolhapur (SMAK), Kolhapur Engineering Association (KEA), AVANI Sanstha, as Director. Indian Red Cross Society's Swayam School for Special Children and Udyog Kendra Kolhapur, Ekti Sanstha-Working for Abundant Women on Streets, SMAKITI-Management Committee & Bhudargad ITI as Member.

He is also Committee Member of CII Western Region Family Business Networking (FBN) And CII Family Business Network All India Chapter. He is Certified Corporate Director duly awarded by Justice M. N. Venkatchalliah Former Chief Justice of India. Further, he is Certified International Trade Expert from Global Network Institute.

Mr Sohan Shirgaokar serves as a Committee Member, Internal Quality Assurance Cell (IQAC), D.Y. Patil Education Society (Deemed to be University), Kolhapur for the second consecutive term

**THE UGAR SUGAR WORKS LIMITED**

CIN : L15421PN1939PLC006738

**84<sup>th</sup> ANNUAL REPORT 2023-24**

<b>Name</b>	<b>Designation</b>
<b>Shri. Rajendra V. Shirgaokar</b>	Chairman Emeritus

<b>BOARD OF DIRECTORS</b> (As on 28 <sup>th</sup> May 2024)		
<b>Sr. No.</b>	<b>Name</b>	<b>Designation</b>
1	<b>Mr. Shishir S. Shirgaokar</b>	Chairman
2	<b>Mr. Prafulla V. Shirgaokar</b>	Non-Executive Director
3	<b>Mr. Rakesh Kapoor</b>	Independent Director
4	<b>Mr. V. Balasubramanian</b> (I.A.S. Retired)	Independent Director
5	<b>Dr. Mallapa R. Desai</b>	Independent Director
6	<b>Mr. Deepchand B. Shah</b>	Independent Director
7	<b>Mr. Hari Y. Athawale</b>	Independent Director
8	<b>Mr. Shripad S Gangavati</b>	Independent Director
9	<b>Mrs. Suneeta S Thakur</b>	Independent Woman Director
10	<b>Mr. Sachin R. Shirgaokar</b>	Non-Executive Director
11	<b>Mrs. Shilpa Kumar</b>	Non-Executive Woman Director
12	<b>Mr. Niraj S. Shirgaokar</b>	Managing Director
13	<b>Mr. Chandan S. Shirgaokar</b>	Managing Director
14	<b>Mr. Sohan S. Shirgaokar</b>	Executive Director

**Compliance Officer**

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

**Auditor**

**M/s. Kirtane & Pandit LLP**  
Chartered Accountants  
5<sup>th</sup> Floor, Wing A, Gopal House,  
S. No.127/1B/1, Plot A1,  
Pune – 411029  
Phone: 020-67295100  
Email:kpca@kirtanepandit.com

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**Registered Office:**

Mahaveernagar, Sangli 416 416  
 Phone : 0233-2623716, 2623717  
 Fax : 0233-2623617  
 Email: [usw.sangli@ugarsugar.com](mailto:usw.sangli@ugarsugar.com)

**Registrar & Transfer Agent:**

Office No S6-2, 6<sup>th</sup> Floor, Pinnacle Business Park,  
 Next to Ahura Centre, Mahakali Caves Road,  
 Andheri (East) Mumbai – 400093  
 Board No : 022 – 62638200 | Direct No: 022-62638261 |  
[prasadm@bigshareonline.com](mailto:prasadm@bigshareonline.com) | [www.bigshareonline.com](http://www.bigshareonline.com)

**Administrative Office:**

Ugarkhurd 591 316 (Dist- Belagavi)  
 Phone: 08339-274000  
 Fax: 08339-272232

e-mail: [helpdesk@ugarsugar.com](mailto:helpdesk@ugarsugar.com)  
 website: [www.ugarsugar.com](http://www.ugarsugar.com)

Plants: Ugarkhurd and Malli (Jewargi)

### Bankers

Central Bank of India  
 Union Bank of India  
 Sangli Urban Co-Op Bank Ltd

Bank of Baroda  
 Dombivli Nagari Sahakari Bank Ltd

## ANNUAL GENERAL MEETING

Tuesday 13<sup>th</sup> day of August 2024 AT 11.00 a.m.,  
 through VC/OAVM.



## THE UGAR SUGAR WORKS LIMITED

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

### NOTICE

NOTICE is hereby given that the 84<sup>th</sup> Annual General Meeting of THE UGAR SUGAR WORKS LIMITED will be held on Tuesday 13<sup>th</sup> August 2024 at 11.00 A.M. through Video Conferencing (VC)/ OAVM for which purpose the Registered Office of the Company situated at Mahaveer Nagar, Wakhar Bahg 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 the audited Standalone Balance Sheet as on 31<sup>st</sup> March 2024 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, Business responsibility and sustainability reporting (BRSR) and Auditors thereon.
2. To declare a dividend.
3. To appoint a Director in place of Mr. Shishir Shirgaokar (DIN NO- 00166186) 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. Shishir Shirgaokar as a non-executive director of the Company, liable to retire by rotation and 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 modification (s) 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 the continuation of Mr Shishir Shirgaokar as a Non-Executive Director of the Company, who has already attained the age of 75 years for further period as Non-Executive Director from the conclusion of this Annual General Meeting till the conclusion of Annual General Meeting to be held in the year 2027.

**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. **Reappointment of Mr. Hari Y. Athawale (DIN NO-7335718) as an Independent Director of the Company for the period remaining 2 (Two) years and to consider and if thought fit, to pass, with or without modifications, the following resolution as a Special Resolution:**

**“RESOLVED THAT**, in supersession of the resolution passed at 81st Annual General Meeting held on 22<sup>nd</sup> September 2021 and pursuant to Sections 149 and 152 read with schedule IV and other applicable provisions if any of the Companies Act, 2013 and rules made there under including any statutory modification (s) or reenactment thereof, Regulation 17(1A), 17(1C) & 25(2A) and any other applicable provision 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. Hari Y Athawale (DIN No-7335718) who was appointed as an Independent Directors for a period of 3 years and who holds office up to this AGM, who has already attained the age of 75 years and being eligible be and is hereby re-appointed as an Independent Director of the Company for remaining 2 years out of the total period of 5 years to hold office on the Board of Directors of the company up to 12<sup>th</sup> August 2026, not liable to retire by rotation.

**RESOLVED FURTHER THAT**, the Board of Directors and /or Company Secretary be and is 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.”

- 7. To ratify the remuneration of Cost Auditors for the financial year ending March 31, 2025, and to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution.**

**“RESOLVED THAT** pursuant to the provisions of section 148 of the Companies Act, 2013 and the relevant Rules, M/s. Dhananjay V. Joshi & Associates, Practicing Cost Accountant, (Firm Registration No: 000030) who was appointed by the Board of Directors of the Company in their meeting held on 28<sup>th</sup> May 2024 as a Cost Auditor to audit the cost records, as may be ordered by the Central Government, on a remuneration of Rs.3,00,000/- (Rupees Three Lakh only) plus reimbursement of out of pocket expenses plus Taxes as applicable, for the Financial Year 2024-25 be and is hereby ratified.”

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

Date : 28<sup>th</sup> May 2024.

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

**Chandan S. Shirgaokar**

Managing Director  
(DIN-00208200)

## NOTES

- i. Pursuant to General Circulars No. 14/2020 dated April 8, 2020, No. 17/2020 dated April 13, 2020, No. 20/2020 dated May 5, 2020, No. 02/2021 dated January 13, 2021, No. 21/2021 dated December 14, 2021, No. 2/2022 dated May 5, 2022, and No. 10/2022 dated December 28, 2022 issued by the Ministry of Corporate Affairs (collectively referred to as ‘MCA Circulars’), the Company is convening the 84<sup>th</sup> AGM through Video Conferencing (‘VC’) or Other Audio-Visual Means (‘OAVM’), without the physical presence of the Members. The proceedings of the AGM will be deemed to be conducted at the Registered Office of the Company
- 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., authorizing 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](mailto:evoting@ugarsugar.com)
- v. During the AGM, Members may access the scanned copy of the 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 27<sup>th</sup> July 2024 to 13<sup>th</sup> August 2024 (both days inclusive) for the purpose of AGM and Dividend.
- vii. Pursuant to the provisions of Sections 124 and 125 of the Companies Act, 2013 (corresponding to Section 205A to Section 205C of the Companies Act, 1956), all unclaimed/unpaid monies by way of dividend transferred to the "Unpaid Dividend Account" of the Company as contemplated under Section 124 of the Companies Act, 2013 (corresponding to Section 205A of the Companies Act, 1956) that remains unclaimed for 7 (seven) years from the respective date of such transfer has to be transferred by the Company to "The Investor Education and Protection Fund" (IEPF) being the fund established by the Central Government under Section 125 of the Companies Act, 2013 (corresponding to Section 205C(1) of the Companies Act, 1956) and no claims shall lie against the Company in respect thereof.

The Company has transferred all unpaid/unclaimed dividends up to the year 2015-16 to the Investor Education and Protection Fund.

- viii. Pursuant to the provisions of Sections 124 and 125 of the Companies Act and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (as amended from time to time), all shares on which dividend has not been paid or claimed for seven consecutive years or more have been transferred to IEPF Authority.

The Company has also uploaded full details of such shares due for transfer as well as unclaimed dividends on the website of the Company.

Both the unclaimed dividends and the shares transferred to the IEPF can be claimed back by the concerned shareholders from the IEPF Authority after complying with the procedure prescribed under the "Rules." For more details regarding the claim of unclaimed/unpaid amount/shares please check

<http://www.iepf.gov.in/IEPF/refund.html>

- ix. Members can avail of the facility of nomination in respect of shares held by them in physical form pursuant to the provisions of Section 72 of the Companies Act, 2013 (corresponding to Section 109A of the Companies Act, 1956). Members desiring to avail of this facility may send their nomination in the prescribed Form No. SH.13 duly filled into M/s. Big Share Services Pvt. Ltd at



the above-mentioned address or the Registered Office of the Company. Members holding shares in electronic form may contact their respective Depository Participants for availing of this facility.

- x. SEBI vide its notification dated June 8, 2018, as amended on November 30, 2018, has stipulated that w.e.f. April 01, 2019, the transfer of securities (except transmission or transposition of shares) shall not be processed, unless the securities are held in the dematerialized form. The Company has complied with the requirements as applicable, including sending letters to shareholders holding shares in the physical form requesting them to demat their physical holdings.
- xi. The Explanatory Statement setting out the material facts pursuant to Section 102 (1) of the Companies Act, 2013 (the Act), Special Business Nos.5 to 7 in the Notice and is annexed hereto and forms part of this Notice.
- xii. Permanent Account Number(PAN)

The Securities and Exchange Board of India (SEBI) has mandated the submission of PAN by every participant in the securities market. Members are requested to submit their PAN to their DPs and also change in address or Bank mandate to their respective DPs with whom they are maintaining their demat accounts.

- xiii. 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](mailto:evoting@ugarsugar.com) so that the information can be made available at the time of the meeting.
- xiv. The Notice of the Annual General Meeting along with the Annual Report for the financial year 2023-24 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 circulars issued by SEBI dated May 12, 2020. Members may note that the Notice of Annual General Meeting and Annual Report for the financial year 2023-24 is also available on the Company's website [www.ugarsugar.com](http://www.ugarsugar.com); the website of the Stock Exchanges i.e. at [www.bseindia.com](http://www.bseindia.com), [www.nseindia.com](http://www.nseindia.com) Members can attend and participate in the Annual General Meeting through VC/OAVM facility only.
- xv. 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 is also available on the Company's website, viz., [www.ugarsugar.com](http://www.ugarsugar.com).

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020, issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020, and Circular No. 02/2021 dated January 13, 2021, and all other relevant circulars issued from time to time, physical attendance of the Members to the EGM/AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing EGM/AGM through VC/OAVM.
2. Pursuant to Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint a proxy to attend and cast votes for the members is not

available for this EGM/AGM. However, the Body Corporate is entitled to appoint authorized representatives to attend the EGM/AGM through VC/OAVM and participate thereat and cast their votes through e-voting.

3. The Members can join the EGM/AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/AGM through VC/OAVM will be made available for 1000 members on a first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the EGM/AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020, and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the EGM/AGM. For this purpose, the Company has entered into an agreement with the National Securities Depository Limited (NSDL) to facilitate voting through electronic means, as the authorized agency. The facility of casting votes by a member using a remote e-voting system as well as venue voting on the date of the EGM/AGM will be provided by NSDL.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the EGM/AGM has been uploaded on the website of the Company at [www.ugarsugar.com](http://www.ugarsugar.com). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and the EGM/AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
7. EGM/AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020, MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020, and MCA Circular No. 2/2021 dated January 13, 2021.

#### **THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING ANNUAL GENERAL MEETING ARE AS UNDER:-**

The remote e-voting period begins on 10<sup>th</sup>, August 2024 at 10:00 A.M. and ends on 12<sup>th</sup>, August 2024 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 5<sup>th</sup> August 2024 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 5<sup>th</sup> August 2024.

How do I vote electronically using the NSDL e-Voting system?





The way to vote electronically on the NSDL e-Voting system consists of "Two Steps" which are mentioned below:

**Step 1: Access to the NSDL e-Voting system**

**A) Login method for e-voting and joining virtual meetings for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
<p>Individual Shareholders holding securities in demat mode with NSDL.</p>	<ol style="list-style-type: none"> <li>1. Existing IDeAS user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nSDL.com">https://eservices.nSDL.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2. If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nSDL.com">https://eservices.nSDL.com</a>. Select “Register Online for IDeAS Portal” or click at <a href="https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nSDL.com/">https://www.evoting.nSDL.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> <div style="text-align: right; margin-top: 10px;"> <p>NSDL Mobile App is available on</p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>App Store</p> </div> <div style="text-align: center;">  <p>Google Play</p> </div> </div> <div style="display: flex; justify-content: space-around; margin-top: 10px;">   </div> </div>



<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> <li>1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi / Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then user your existing my easi username &amp; password.</li> <li>2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</li> <li>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from an e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

**Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.**

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.com">evoting@nsdl.com</a> or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

1. Password details for shareholders other than Individual shareholders are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - c) How to retrieve your 'initial password'?
    - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.
2. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.com](mailto:evoting@nsdl.com) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
3. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
4. Now, you will have to click on "Login" button.
5. After you click on the "Login" button, Home page of e-Voting will open.

### **Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and who's voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting."
3. Now you are ready for e-Voting as the Voting page opens.



4. Cast your vote by selecting appat) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutiropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

#### General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Formnizer by e-mail to [evoting@ugarsugar.com](mailto:evoting@ugarsugar.com) with a copy marked to [evoting@nsdl.com](mailto:evoting@nsdl.com). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. 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 download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on.: 022 - 4886 7000 or send a request to Pallavi Mathre at [evoting@nsdl.com](mailto:evoting@nsdl.com)

#### Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [evoting@ugarsugar.com](mailto:evoting@ugarsugar.com)
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [evoting@ugarsugar.com](mailto:evoting@ugarsugar.com). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to [evoting@nsdl.com](mailto:evoting@nsdl.com) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through

their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE EGM/AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/shareholders, who will be present in the EGM/AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the EGM/AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM/AGM shall be the same person mentioned for Remote e-voting.

**INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM/AGM THROUGH**

**VC/OAVM ARE AS UNDER:**

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at [evoting@ugarsugar.com](mailto:evoting@ugarsugar.com). The same will be replied by the company suitably.

## 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 mentioned in the accompanying Notice dated 25<sup>th</sup> May 2024 and should be taken as forming part of it.

#### Item No.5:

Mr. Shishir S. Shirgaokar (DIN NO- 00166189) retires at this meeting and being eligible offers himself for reappointment as Non-Executive Director of the Company under Section 149 and 152 of the Companies Act, 2013 read with Schedule IV attached thereto and Rules made there under. Since he has already attained the age of 75 years, Regulation 17 of SEBI (Listing obligations and disclosure requirements) Regulations, 2015 requires approval of General body by way of a special resolution for his continuation.

Mr. Shishir S. Shirgaokar (DIN NO- 00166189) has vast experience of working in the sugar industry. He has worked as Whole time Director of the Company from 2005 to 2008, as an Executive Director from 2008 to 2010, as a Managing Director from 2010 to 2015, as an Executive Vice Chairman in 2015-16 and presently he is Non-Executive Director & Chairman of the Company.

Mr. Shishir S. Shirgaokar is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013.

In the opinion of the Board of Directors of the Company, his services be continued considering his seniority, role played by Mr. Shishir S. Shirgaokar towards the growth of this Company and to reap the benefits of his rich and varied experience, approval of shareholders is sought for continuation of Mr. Shishir S. Shirgaokar as a Non-Executive Director, from 01st April 2024 liable to retire by rotation as set out at Resolution No. 3 & 5 of the Notice.

Other than Mr. Shishir S. Shirgaokar and Mr. Niraj S. Shirgaokar and their relatives, none of the Directors, Key Managerial Personnel or their relatives are concerned or interested, except to the extent of their shareholding, in the proposed Special Resolution as set out in Resolution No.3 & 5 of this Notice.

#### Item No. 6:

Mr. Hari Y. Athawale (DIN NO-7335718) was appointed as Non-Executive Independent Director of the Company by the member in the AGM held on 22<sup>nd</sup> September, 2021 for the period of three years out of Five year, be and hereby re- appointed as Non-Executive Independent Director of the Company under Section 149 and 152 of the Companies Act, 2013 read with Schedule IV attached thereto and Rules made there under and since he has attained the age of 75 years, pursuant to Regulation 17 of SEBI (Listing obligations and disclosure requirements) Regulations, 2015 and by the members in this AGM to be held on 13<sup>th</sup> August 2024 for remaining period of Two years to hold office up to 12<sup>th</sup> August 2026, not liable to retire by rotation.

Mr. Hari Y. Athawale (DIN NO-7335718) 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, having worked 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 48240 equity shares in the Company as on 31.03.2024.



The Company has received notice in writing under the provision of section 160 of this Act, from a member proposing the candidature of Mr. Hari Y. Athawale for the office of the Independent Director, to be appointed as such under the provision of Section 149 of the Act. Since his appointment as an Independent Director has been recommended by the Nomination and Remuneration Committee, there is no need to deposit Rs. 100,000 under section 160 of the Act.

In items of Section 164 of the Act, Mr. Hari Y. Athawale is not disqualified from being appointed as a Director and has given his consent to act as a Director. Further as per Section 149(6) of the Act and Regulation 16 (1) (b) of the Listing Regulations, Mr. Hari Y. Athawale submitted a declaration to the Company that he meets the criteria of Independence. 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
2. Fund Raising
3. Project Appraisal
4. Finance Policies & framework

#### Disclosure of relationships between directors –

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 a Special Resolution.

#### Item No. 7:

- Approval/ratification of Remuneration to Cost Auditor:

The Audit Committee & the Board of Directors in their meeting held on 28th May 2024, have approved the appointment of Cost Auditor M/s Dhananjay V. Joshi & Associates, Practicing Cost Accountant, (Firm Registration No: 000030), for the Financial Year 2024-25 on a remuneration of Rs. 3.00 Lakh (Rupees Three Lakh only) plus reimbursement of out of pocket expenses plus Taxes as applicable, subject to the ratification by the shareholders in the ensuing annual general meeting. Accordingly, the ratification of the remuneration is proposed for your approval.

Memorandum of Interest:

None of the Directors are deemed to be interested in resolution No.7

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

Date : 28<sup>th</sup> May 2024.

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

**Chandan S. Shirgaokar**

Managing Director  
(DIN-00208200)

**DETAILS OF THE DIRECTORS SEEKING APPOINTMENT OF NEW /RE-APPOINTMENT OF DIRECTORS IN TERMS OF REGULATION 36 OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

<b>Name of the Directors</b>	<b>Mr. Shishir S. Shirgaokar</b>	<b>Mr. Hari Y. Athawale</b>	<b>Mrs. Shilpa Kumar</b>
DIN	00166189	7335718	02404667
Date of Birth	16/01/1945	24/09/1939	12/09/1966
Date of appointment/last appointment	22/09/2021	22/09/2021	15/09/2022
Expertise in specific functional area	He has vast experience of working in the sugar industry. He has worked as Whole time Director of the Company from 2005 to 2008, as an Executive Director from 2008 to 2010, as a Managing Director from 2010 to 2015, as an Executive Vice Chairman in 2015-16 and presently he is Non-Executive Director & Chairman of the Company.	He has over 22 years of the Banking experience in State Bank of India, the largest commercial bank in India, having worked 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.	She has a rich experience over 22 years in the Finance and Treasury Management. She provides overall leadership, including strategy and investments, across the areas of Digital Society, Cities & Innovation and Inclusive Land & Housing. She also leads policy work in Financial Inclusion and in development of the Non Profit sector strategy.
Qualification	B.Sc.	Master in Science (Major-Statistics) from Pune University (1962) and Diploma in Systems Analysis from New York University, New York (1985).	MBA from IIM Kolkata.
Shareholding in the Company (including HUF)	394255	48240	1,52,600
Directorship held in the Public/Private Companies (excluding Section 8 Co & foreign companies)	BSJ ENGINEERING PRIVATE LIMITED SLK SOFTWARE PVT. LTD. UGAR PIPE INDUSTRIES PVT LTD TARA TILES PVT LTD SYNERGY GREEN INDUSTRIES LIMITED S.B. RESHELLERS PVT LTD.	NA	SEURETEK IT SOLUTIONS PRIVATE LIMITED IMPACT INVESTORS COUNCIL P R I V A S A P I E N TECHNOLOGIES PVT. LTD SEWA GRIH RIN LIMITED
Disclosure of Relationship between Director inter-se	Other than Mr. Shishir S. Shirgaokar and Mr. Niraj S. Shirgaokar and their relatives, none of the Directors, Key Managerial Personnel or their relatives are concerned or interested, except to the extent of their shareholding, in the proposed Special Resolution as set out in Resolution No.3 & 5 of this Notice.	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.	Other than Mr. Prafulla Shirgaokar and their relatives, none of the Directors, Key Managerial Personnel or their relatives are concerned or interested, except to the extent of their shareholding, in the proposed Special Resolution as set out in Resolution No.4 of this Notice.

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

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

**Chandan S. Shirgaokar**

Managing Director  
(DIN-00208200)

Date : 28<sup>th</sup> May 2024.

## DIRECTORS' REPORT

### DEAR SHAREHOLDERS,

Your Directors have the pleasure of presenting their 84th Annual Report together with the Audited Financial Statements for the period ended 31<sup>st</sup> March 2024.

### GENERAL :

All India's Production of Sugar for the Season 2023-24 is expected to reach 320 Lakh tones, as compared to the previous year's production of 323 Lakh tones. The Government of India in order to control the falling sugar prices has continued the release mechanism for the sale of Sugar and has also maintained the minimum selling price at Rs.31/- per kg. The current market price is more than MSP.

Our total crushing of sugar cane for the company including both units for the year ending on March 31<sup>st</sup> 2024 was 20.87 Lakh MT and the total bagging was 15.11 Lakh quintals of sugar. The Company has produced 715.02 Lakh BLS Ethanol during this year.

### FINANCIAL RESULTS:

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

Particulars	31.03.2024 Rs. in Lakhs	31.03.2023 Rs. in Lakhs
Total Revenue	1,31,031.60	1,94,657.26
Total Expenditure (excluding Depreciation & Amortization)	1,25,143.25	1,78,010.05
Profit before Depreciation & Amortization	5,888.35	1,66,47.21
Depreciation & Amortization	2908.21	1,807.97
Profit Before Tax/ (Loss) & Exceptional items	2980.14	14,839.24
Provision for Tax, (including deferred tax adjustment, short provision for tax) / MAT Credit entitlement	865.89	4,534.44
Profit after Tax / Net Profit / (Loss)	2114.25	10,304.80
Other Comprehensive Income	(139.45)	(116.35)
Total Comprehensive Income for the period (Comprising Profit (Loss) and other Comprehensive Income for the period)	1974.80	10,188.45
Earnings Per Share (EPS)	1.88	9.16

During this year Company has achieved a recovery of 11.05% at Ugar and 9% at Jewargi. Company has earned a net profit of Rs. 2114.25 Lakh compare to last year's profit of Rs. 10,304.68 Lakh. The profit has come down substantially due to restriction imposed by the Central Government on production of ethanol from Sugar Syrup and resulting in further fall in sugar prices.



**Transfer to Reserve: No amount has been transferred to Reserve for the Financial Year 2023-24.**

**DIVIDEND:** Your Directors are pleased to recommend a dividend @ 25% (Rs. 0.25 per share) for the Current Financial Year 2023-24.

**DIVIDEND DISTRIBUTION POLICY:**

Pursuant to Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [SEBI Listing Regulations], the Board of Directors of the Company had formulated a Dividend Distribution Policy ('the Policy).

The Policy is available on the Company's website URL:

[http://web.ugarsugar.com/Investor\\_Relations/Corporate\\_%20Announcements/Dividend-DistributionPolicy.pdf](http://web.ugarsugar.com/Investor_Relations/Corporate_%20Announcements/Dividend-DistributionPolicy.pdf)

**OPERATIONS:****SUGAR AT UGAR:**

Particulars	Sugar Season 2023-24	Sugar Season 2022-23
Date of beginning of the crushing season	24.10.2023	17.10.2022
Date of ending of crushing season	06.03.2024	16.03.2023
Number of Working Days	135	151
Sugar Cane Crushed (Lakh MT)	17.08	19.58
Recovery	11.05%	11.60%
Sugar Produced (Lakh QTLs.)	11.61	11.82

**SUGAR AT JEWARGI :**

Particulars	Sugar Season 2023-24	Sugar Season 2022-23
Date of beginning of the crushing season	02.11.2023	03.11.2022
Date of ending of crushing season	10.03.2024	22.03.2023
Number of Working Days	130	140
Sugar Cane Crushed (Lakh MT)	3.79	4.41
Recovery	9.00%	10.25%
Sugar Produced (Lakh QTLs.)	3.50	4.67

**DISTILLERY, IML PRODUCTION & ELECTRICITY GENERATION :**

Particulars	Unit	Financial Year 2023-24	Financial Year 2022-23
Ethanol Produced (Sugar Syrup and Grain) (Lakh BL)	Ugar	715.02	836.55
Denatured Spirit Produced (Lakh BL)	Ugar	0	23.76
Potable Alcohol Produced (Lakh BL)	Ugar	39.85	51.82
Electricity Generated (Lakh KW)	Ugar	1325.32	1468.55
Electricity Exported (Lakh KW)	Ugar	558.22	679.37
Electricity Generated (Lakh KW)	Jewargi	333.17	475.84
Electricity Exported (Lakh KW)	Jewargi	190.61	301.94

**Note:** During the period under review, company has taken SGZ and SGA Sugars Ltd. (JV), Turchi Tasgaon, Maharashtra, Sugar factory on lease basis till the end of Crushing season for the year 2023-24. We have crushed Sugarcane 0.88 Lakh MT and Sugar produced 0.87 Qtls at Tasgaon.

Your Directors expect to procure approximately 28 to 30 Lakh MT of sugarcane at Ugar and Jewargi Units during the crushing season 2024-25. The above figures would be determined after observing the monsoon rains.

**ENVIRONMENTAL SAFETY:**

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

**FIXED DEPOSITS:**

The Company has not accepted fresh deposits from the public pursuant to Section 73 or 76 of the Companies Act, 2013 read with The Companies (Acceptance of Deposits) Rules, 2014.

The company has refunded Rs. 2.55 lakh deposit to the legal heirs of the deposit holder as per court order during the year.

**PARTICULARS OF LOANS, GUARANTEES, OR INVESTMENTS UNDER SECTION 186:**

The company has not advanced any loans pursuant to Section 186 of the Companies Act, 2013. The Company has given Corporate Guarantees amounting to Rs.50 Cr. to Karnataka Vikas Grameena Bank (KVG Bank) The investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements at Note No C.

**DIRECTOR'S DETAILS OF APPOINTMENT / CESSATION AND REAPPOINTMENT:**

- Mr. Shishir Shirgaokar (DIN NO- 00166186) aged 79 years, is liable to retire by rotation at this AGM & being eligible offers himself for reappointment. Being a fit and proper person, the Board intends to reappoint him as a Director
- Mrs. Shilpa Kumar (DIN NO- 02404667) aged 58 years, is liable to retire by rotation at this AGM & being eligible offers herself for reappointment. Being a fit and proper person, the Board intends to reappoint her as a Director.
- Mr. Hari Y. Athawale (DIN NO-7335718) was appointed as Non-Executive Independent Director of the Company by the member in the AGM held on 22<sup>nd</sup> September, 2021 for the period of three years out of Five year, he will be re-appointed as Non-Executive Independent Director of the Company by the members in this AGM to be held on 13<sup>th</sup> August 2024 for remaining period of Two years to hold office up to 12<sup>th</sup> August 2026, not liable to retire by rotation.
- Mr. Sohan S Shirgaokar (DIN NO-00217131) was appointed as Executive Director of the Company w.e.f. 1<sup>st</sup> January 2024 for a period of 3 years.
- Mr. Niraj Shirgaokar and Mr. Chandan S Shirgaokar were re-appointed as Managing Director for further period of 3 Years. w.e.f. 01.04.2024

**BOARD EVALUATION:-**

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosures Requirements) Regulation 2015, the Independent Directors have evaluated the performance of working Directors. The Board has carried out an annual performance evaluation, the

Directors individually as well as the evaluation of the working of its Audit Committees and Nomination & Remuneration Committees.

#### **NOMINATION & REMUNERATION POLICY:**

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for the selection and appointment of Directors, Senior Management, and their remuneration and includes other matters as prescribed under the provisions of Section 178 of Companies Act and Regulation 19 of SEBI (LODR) 2015. The Nomination & Remuneration Policy is available on the website of the Company on the following link.....

[http://web.ugarsugar.com/Investor\\_Relations/Corporate\\_Announcements.asp?child=3&parent=7](http://web.ugarsugar.com/Investor_Relations/Corporate_Announcements.asp?child=3&parent=7)

#### **MEETINGS:**

During the year, Six Board Meetings and Four Audit Committee Meetings were convened and held, the details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013. The dates and related information is given in the corporate governance report.

#### **DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to the provisions of Section 134(5) of the Companies Act, 2013, we confirm that-

- i] That in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ii] The directors had selected such accounting policies and applied them consistently and made a judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- iii] The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv] The directors had prepared the annual accounts on a going concern basis;
- v] The directors, in the case of the listed company, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively and;
- vi] The directors had devised a proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively;

#### **CORPORATE GOVERNANCE:**

Our Company has been following good Corporate Governance since its inception. The shares of our Company are listed on BSE Ltd. and the National Stock Exchange of India Ltd. (NSE Ltd.) We are regularly and timely complying with the requirements as per the Listing Agreement. The company has paid the Annual Listing Fees for the Financial Year 2023-24. As required by SEBI Guidelines, a Corporate Governance Report is annexed.

**SHARE CAPITAL:**

During the year, the Company has not issued any fresh shares and the authorized share capital is Rs. 20,00,00,000. The paid up equity share capital of the Company is Rs. 11,25,00,000/- of Rs. One each.

**CO-GENERATION AT UGAR & JEWARGI:**

During this year electricity generated was 1658.49 Lakh KW of which we have exported 748.83 Lakh KW through, HESCOM, BESCOM, CESCO, MESCOM, and GESCOM by consuming 5.50 Lakh MT of Bagasse.

**DISTILLERY:**

The production of Ethanol was 715.02 Lakh BL, as compared to 836.55 Lakh BL during the previous year. During the year under review, we have supplied 705.41 Lakh BL Ethanol to the Oil Companies.

**INDIAN-MADE LIQUOR (IML) AT UGAR:**

The Company has manufactured 4.60 Lakh cases at Ugar during this year as against 5.99 Lakh cases during the previous year.

**DEMATERIALIZATION OF SHARES:**

Our Company has provided connectivity with NSDL & CDSL for the dematerialization of its shares for trading in electronic form under ISIN-No: INE071E01023. So far 9,76,74,135 Equity shares have been dematerialized by the shareholders, i.e. 86.82% of total shareholding as on 31 March 2024. The annual fees of depositories for the FY 2023-24 have been paid by the Company.

**CONSERVATION OF ENERGY**

All the energy conservation measures successfully implemented in the past are giving satisfactory results. During the year under review, the particulars pertaining to conservation of energy have been given under Annexure I.

Details technology absorption, foreign exchange earnings, and outgo pursuant to Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is annexed as Annexure I. The annexure forms part of this report.

**NON-MATERIAL SUBSIDIARY COMPANY**

Ugar Theatre Private Limited was incorporated on 29-11-1977, with the intention to exhibit films for the Ugar people. With increased media facilities, the film exhibition had become unremunerative, hence the activity of film exhibition was stopped w.e.f. 30 January 2004, and the machinery was sold. The Company was engaged in providing warehousing facilities to others. It has become a subsidiary of our company during the year 2019. It is a non-material subsidiary. Ugar Theaters Private Limited is merged as per the scheme approved by National Company Law Tribunal (NCLT) Mumbai vide its order dated October, 20 2023 and was filed with Registrar of Companies ("RoC") in accordance with the relevant sections of the Companies Act 2013 and rules there under.

Pursuant to this order consolidated financial need not be prepared. Previous year figures include figures of the merged entity.



USW Spirits Private Limited has been incorporated on 17<sup>th</sup> February 2021. The Company has not commenced any business within one year of its incorporation. Also, as there are no plan of the management to carry out the business activity in the Company. Hence, under section 248 (2) of the Companies Act 2013 an application was made to Registrar of Companies, Pune to close down the Company. The ROC has approved the strike off (STK-2) Application Dated 30-Oct-2022 on 13 Jun 2023.

#### **QUALIFYING REMARKS IN AUDITORS' REPORT:**

There are no qualifying remarks in the Statutory Auditors Report.

#### **AUDITORS:**

##### **STATUTORY AUDITORS**

The Company's Auditors, M/s. Kirtane & Pandit LLP, Chartered Accountants, having FRN-105215W were appointed in the 82<sup>nd</sup> Annual General Meeting for a term of five years and no ratification is required every year. They have confirmed their eligibility under Section 141 of the Companies Act, 2013 for the financial year 2024-25. The auditors have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

##### **COST AUDITORS**

Pursuant to Section 148 of the Companies Act, 2013 read with The Companies (Cost Records and Audit) Amendment Rules, 2014, the cost audit records are maintained by the Company in respect of its Cost Audit of Sugar, Industrial Alcohol, and Electrical Energy. Your Directors have appointed M/s Dhananjay V. Joshi & Associates Cost Accountants, (Firm Registration No: 000030), on the recommendation of the Audit Committee, to audit the cost accounts of the Company for the financial year 2024-25 on the remuneration of Rs. 3,00,000 subject to the ratification by General Body.

##### **SECRETARIAL AUDIT**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed CS Abhay Gulavani, Company Secretary in Practice, Miraj (Membership No F10668) to undertake the Secretarial Audit of the Company who has consented to the same. The Report of Secretarial Audit Report is annexed herewith as "Annexure-II." The observations made in the report and our reply to the observation is self-explanatory.

##### **CORPORATE SOCIAL RESPONSIBILITY**

The brief outline of the Corporate Social Responsibility (CSR) Policy of the Company and the initiatives undertaken by the Company on CSR activities during the year in the format prescribed in the Companies (CSR Policy) Rules, 2014 are set out in "Annexure-III" of this Report.

##### **INTERNAL FINANCIAL CONTROL:**

The Company has Internal Financial Controls with proper checks and balances to ensure that transactions are properly authorized, recorded, and reported apart from safeguarding its assets. These systems are reviewed and improved on a regular basis.

**RELATED PARTY TRANSACTIONS:**

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. The transactions entered into by the Company during the year were within the limits of the Powers of the Board as prescribed in Section 188 read with Companies (Meetings of Board & its Powers) Rules, 2014. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel, other designated persons, or other related parties which may have a potential conflict with the interest of the Company at large.

The Company has taken Omnibus approval of the Audit Committee for the Related Party Transaction. All Related Party Transactions were placed before the Audit Committee and the Board for their approval.

The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website.

Details relating to Related Party Transactions are shown in Form No. AOC-2: (Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014) is attached as Annexure V.

**PARTICULARS REQUIRED AS PER SECTION 134 OF THE COMPANIES ACT, 2013**

As per Section 134 of the Companies Act, 2013 (the 'Act'), your Company has provided the Standalone financial statements as on March 31 2024. These documents are available for inspection during business hours at the Registered Office of your Company.

**CONSOLIDATED FINANCIAL STATEMENTS**

As on 31 March 2024, there were no subsidiaries / Associate Company / Joint Venture Company. Hence consolidation of financial statement is not required.

**SECRETARIAL STANDARDS**

The Ministry of Corporate Affairs notified the Secretarial Standard on Meetings of the Board of Directors (SS-1), Secretarial Standard on General Meetings (SS-2), Secretarial Standard on Dividend (SS-3), and Secretarial Standard on Report of the Board of Directors (SS-4). and any other applicable Secretarial Standard. The Company complies with Secretarial Standards and guidelines issued by the Institute of Company Secretaries of India (ICSI).

**SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERNS STATUS AND COMPANY'S OPERATION IN THE FUTURE:**

There are no significant and material orders passed by any regulatory authority, court, or tribunal which shall impact the going concern status and the company's operations in the future.

**ANNUAL RETURN**

Pursuant to Section 92(3) of the Act and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return for FY 2022-23 is available on Company's website at URL:[http://web.ugarsugar.com/Investor\\_Relations/AnnualReturn.asp?child=5&parent=7](http://web.ugarsugar.com/Investor_Relations/AnnualReturn.asp?child=5&parent=7)  
Further annual return for the year 2023-24 will be uploaded to the website after filing to ROC.

**DETAILS OF REMUNERATION AS REQUIRED UNDER SECTIONS 178 & 197 (12):**

Details of Remuneration as required under Section 178 and 197 (12) of the Companies Act, 2013 Read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given as "Annexure IV."

**WHISTLE BLOWER POLICY / VIGIL MECHANISM:**

Pursuant to the provisions of Section 177 of the Companies Act, 2013 read with Rule 7 of Companies (Meetings of Board and its Powers) Rules, 2014 and Clause 22 of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015, the Company has adopted a Whistle Blower Policy/Vigil Mechanism that encourages and supports its Directors & employees to report instances of unethical behavior, actual or suspected frauds or violation of Company's Code of Conduct. It also provides adequate safeguards against the victimization of persons who use this mechanism and direct access to the Chairman of the Audit Committee in exceptional cases. The Whistle Blower Policy / Vigil Mechanism Policy has been posted on web site of the company on the link:

[http://web.ugarsugar.com/Investor\\_Relations/Corporate\\_Announcements.asp?child=3&parent=7](http://web.ugarsugar.com/Investor_Relations/Corporate_Announcements.asp?child=3&parent=7)

**PREVENTION, PROHIBITION & REDRESSAL OF SEXUAL HARASSMENT OF WOMEN AT WORK PLACE:**

The Company has in place a policy on prevention, prohibition & redressal of sexual harassment of women at work place and an Internal Complaints Committee has been constituted. No complaints are received during the year.

**RISK MANAGEMENT POLICY**

Details of the Risk Management Policy as required under the provisions of the Companies Act 2013 are placed on the Company's website [www.ugarsugar.com](http://www.ugarsugar.com).

**CHANGE IN NATURE OF BUSINESS, IF ANY**

There is no change in the nature of Business of the company during the year.

**BUSINESS RESPONSIBILITY REPORT**

Regulation 34(2) of the Listing Regulations, inter alia, provides that the annual reports shall include a Business Responsibility Report. The Company has presented its Second Business Responsibility Report for the Financial Year 2023- 24, as Annexure - VI to this Report.

**ACKNOWLEDGMENT:**

Your Directors wish to place on record their sincere appreciation for the continued support received from the Managements of the Central Bank of India, Bank of Baroda, Union Bank of India, Dombivali Nagari Sahakari Bank, and Sangli Urban Co-operative Bank Ltd, for providing working capital finance and Central Bank of India, Bank of Baroda, Union Bank of India, for providing long term finance for Capital Investments and Electricity Supply Companies (ESCOM), for transmission of energy.

Your Directors thank the Government of India, the Government of Karnataka, the Government of Maharashtra, Government Authorities, Shareholders, Cane suppliers, Workers, and Staff for their co-operation and contribution to the overall progress of the Company.

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

Date : 28<sup>th</sup> May 2024.

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

**Shishir S. Shirgaokar**  
Chairman  
(DIN No. 00166189)



**ANNEXURE**  
**TO THE DIRECTORS' REPORT**  
**ANNEXURE I : TECHNOLOGY ABSORPTION**  
**As on 31<sup>st</sup> Mar 2024**  
**FORM – B**

Ministry of Science & Technology, New Delhi in 1974, recognizes our R & D Unit. We are conducting All India Co-ordinate Research Project (AICRP) Trials on Sugarcane, Soybean & Wheat under the guidance of University of Agricultural Sciences, Dharwad, Central Sugarcane Research Station, Padegaon, Vasantdada Sugar Institute Manjari (Bk.) Pune, Agricultural Research Station, Sankeshwar, S.Nijlingappa Sugar Institute, and Belgavi.

- 1) Sugarcane:** We are conducting Multilocational Varietal Trial (MLVT) on Sugarcane in our R & D Farm & varieties, which were tried, tested, & identified as better varieties with respect to yield, sugar recovery are given to the farmers of our command area. Following varieties were identified from the trials. Sugarcane seed is given on large scale & have become popular amongst the farmers.
  - a) Co Snk 09268 ( Co Jn 86-272 GC )
  - b) Co Snk 13374 ( NB-94-545 X 85 R 186 )
  - c) Co Snk 13436 ( Co 8371 X CoT 8201 )
  - d) CoM 15012 (CoM 0265 X Co 94008)
  - e) MS 14082 (CoM 0265 X CoM 0254)
  
- 2) Soybean:** Every soil requires better rotational crop to improve the soil health. Soybean is oil seed crop found to be one of the best rotation crops. It improves the soil fertility & gives desirable income to the farmers. All India Co-ordinate Research Project (AICRP) is taken all over India. Under this, trials are conducted on our R & D Farm every year. Varieties are tried, tested, & screened for yield, disease, insect, pests etc. Indian Institute of Soybean Research, Indore is giving us promotional aid & under that, Front Line Demonstrations are conducted on farmers' fields every year. Varieties like Dsb 21, DSb 23, DSb 34, and JS 93-05 are the varieties identified from this programme.
  
- 3) Wheat:** We are also conducting All India Co-ordinate Research Project (AICRP) on Wheat trials on our R & D Farm every year under the guidance of Indian Institute of Wheat & Barley Research, Karnal. We are receiving promotional aid to our center for conducting the trials. In our area black cotton soils have become saline due to plantation of sugarcane after sugarcane crop. Hence, University of Agricultural Sciences, Dharwad developed a new Technology for cultivation of Wheat crop in saline soil.
  - a) Evaluation of Micobial Consorcia for salt tolerance : Before sowing of Wheat green manuring of Sunhemp, Dhaincha & mixture of 11 edible grains were made. We found better results in green manuring of 11 edible grains.

- b) SWI (System of Wheat Intensification) : Generally we require 40 Kg Wheat seed for sowing of one Acre land but according to new technology 10 Kg Wheat seed is sufficient for one Acre land..

**4) Doubling of farmers income :** We have conducted 100 MT / Acre sugarcane yield Project for doubling the farmers income during season 2023-24 over the area of 6 Acres on our R & D Farm & we got sugarcane yield of 89 MT / Acre inspite of unfavourable natural conditions under the guidance of Dr. Sanjeev Mane Ashta. From this year we have decided to take 100 MT / Acre sugarcane yield Project on farmers field over large area which will help in doubling the farmers income.

#### Future Plan of Action

1. Research on evaluating new sugarcane & rotation crop varieties.
2. Increasing fertility of soil which will increase the Sugarcane yield.
3. Trials on getting Sugarcane yield more than 100 MT / Acre.
4. Finding out ideal combination of Early, Midlate & Late varieties.

#### Details of Foreign Exchange Earnings & Outgo are as under:

Sr. No.	Particulars	Rs. in Lakh
1.	Foreign Exchange Earnings	—
2.	Foreign Exchange Outgo	
	a. Travelling	5.28
	b. Raw Sugar	—
	c. Machinery Parts	—
	d. Subscriptions	—

**ANNEXURE II**  
**Form No. MR-3**  
**Secretarial Audit Report**

**FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> March, 2024**

**[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

To,  
The Members,  
**The Ugar Sugar Works Limited,**  
Mahaveernagar,  
Sangli – 416416.  
(CIN – L15421PN1939PLC006738)

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by The Ugar Sugar Works Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of The Ugar Sugar Works Limited, books, papers, minute books, forms and returns filed and other records maintained by the company in physical form and in soft copies and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit which were made available to us, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company during the financial year from 1<sup>st</sup> April, 2023 to 31<sup>st</sup> March, 2024 and made available to me, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 as amended upto 2015;
  - (c) The Securities and Exchange Board of India (Listing Obligation & Disclosure Requirements, LODR) Regulations, 2015; and
  - (v) Company has complied with the other applicable laws as applicable specifically to the company as identified by the management, as mentioned below:
    - i) Sugar Cess Act, 1982

- ii) Food Safety And Standards Act, 2006
  - iii) Essential Commodities Act, 1955
  - iv) Sugar Development Fund Act, 1982
  - v) The Karnataka Sugarcane (Regulation on Purchase and Supply) Act, 2013,
  - vi) Export (Quality Control and Inspection) Act, 1963
  - vii) Indian Boilers Act, 1923
  - viii) The Electricity Act, 2003
  - ix) National Tariff Policy
- (vi) I have also examined compliance with the applicable clauses of the following:
- (i) Mandatory Secretarial Standards and Auditing Standards issued by The Institute of Company Secretaries of India from time to time.
  - (ii) The uniform Listing Agreements entered into by the Company with BSE Limited & National Stock Exchange of India Limited, the Stock Exchange(s).
- (vii) I am informed that, during the year, Company was not required to comply with the following laws / regulations / agreements / guidelines and consequently not required to maintain any books, papers, records or file any forms, returns under:
- a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - b) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - c) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - d) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
  - e) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
  - f) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

During the period under review the Company has adequately complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above to the extent applicable, subject to the observations as mentioned in Annexure-B:

I further report that,

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through. As informed, there were no dissenting views from any Board member that were required to be captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.



I further report that, during the audit period, there are no specific event / action having a major bearing on the Companies affairs except the point stated below:

1. USW SPIRITS PRIVATE LIMITED, a non-material subsidiary of the Company, which did not commence any business, had filed a Fast Track Exit Application for Striking off the name of the Company from records of ROC on 30-10-2022 and the same was approved by ROC on 13-06-2023 and present the status of the Company is "Strike Off".
2. Scheme of Merger for merging its non-material subsidiary Company Ugar Theatre Private Limited was approved by NCLT, vide NCLT order dated 20-10-2023. The status of the Company is "Amalgamated."

Place : Sangli  
Date : 28<sup>th</sup> May 2024

**Abhay R. Gulavani**  
Practicing Company Secretary  
FCS: 10668; CP: 10741  
UDIN :F010668F000448391  
Peer review Cer No. 1841/2022

## Annexure – B

Sr.No.	Observation	Management Response
1	Form IEPF-2 to be filed after the AGM, which was held on 10-08-2023 was filed by the Company but got rejected due to mismatch in data.	The Form IEPF 2 was filed by the Company after the AGM within a period of 60 days vide SRN F88828678, however, due to a technical issue with IEPF site, the Excel files containing investor data not get uploaded, and hence the form got rejected. We are filing fresh form.
2	Form IEPF-4 to be filed for recording the transfer of shares to IEPF.	The shares duly transferred to IEPF. However due to technical issue with IEPF site, the excel files containing investor data not get uploaded, hence a form got rejected we are filing fresh form.
3	Company Secretary (KMP) & Compliance Officer has resigned the office on 18-01-2024. Hence as on the end of the Financial Year i.e. 31-03-2024, there was no CS Appointed by the Company.	Compliance officer Mr. B G Kulkarni was appointed within a period of 3 months i.e. on 15-04-2024 and intimated to both the stock exchanges.
4	BSE and NSE have levied a Penalty / Fine of Rs 1,77,000/- each for non-submission of Consolidated Quarterly Results for the Quarter Ended 31-12-2023.	Company is of the opinion that, Consolidation provisions were not applicable for December 2023 Quarter because both the Non-material subsidiaries were ceased to be subsidiaries of the Company, hence not require to be consolidated. Company has filed a waiver application to BSE and NSE with requisite Challan fee. Awaiting reply from the exchanges.

Place : Sangli  
Date : 28<sup>th</sup> May 2024

**Abhay R. Gulavani**  
Practicing Company Secretary  
FCS: 10668; CP: 10741  
UDIN :F010668F000448391  
Peer review Cer No. 1841/2022

## Annexure – A to Secretarial Audit Report of even date

To,  
The Members,  
**The Ugar Sugar Works Limited,**  
Mahaveernagar,  
Sangli – 416416.  
(CIN – L15421PN1939PLC006738)

My Secretarial Audit Report dated 25-05-2024 for the financial year ended on 31<sup>st</sup> March, 2024, is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on the secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company as it is a part of financial audit. Further we have relied on the report of the auditors in relation to various calculations as required under the Companies Act 2013 including Managerial Remuneration, CSR Provisions, etc.
4. I have obtained the Management's representation about the compliance of laws, rules and regulations and happening of events, wherever required. Details of the directorships in other companies, their status, disclosures made by the Directors, have been taken from MCA Director master data, Form MBP-1 and declarations from Independent Directors.
5. Compliance with the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My examination was limited to the verification of procedures on test basis.
6. This Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place : Sangli  
Date : 28<sup>th</sup> May 2024

**Abhay R. Gulavani**  
Practicing Company Secretary  
FCS: 10668; CP: 10741

## ANNEXURE III

### ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES 2023-24

In terms of the Companies Act, 2013, every listed company has to have a Corporate Social Responsibility (CSR) Committee of the Board of Directors which will help the Company to frame, monitor, and execute the CSR activities of the Company under its CSR scope.

The CSR Committee is also entrusted with implementing the CSR Policy of the Company as approved by its Board of Directors. Web link for CSR Policy is

[http://web.ugarsugar.com/Investor\\_Relations/Corporate\\_Governance/CSR\\_Committee.asp?child=8&parent=9](http://web.ugarsugar.com/Investor_Relations/Corporate_Governance/CSR_Committee.asp?child=8&parent=9)

#### Scope:

The CSR Policy will cover the following focus areas which the Company will undertake through its various initiatives in the areas of 1. Health, 2. Education, 3. Community Development, 4. Natural Calamities and 5. Sports Development and Cultural Activities.

#### 2. Composition of CSR Committee

Following are members of the Corporate Social Responsibility Committee of the Board:

Sl. No.	Name of Directors	Designation	Number of meetings of CSR Committee	
			held during the year	attended during the year
1	Dr. M. R. Desai	Chairman	1	1
2	Mr. D. B. Shah	Member	1	1
3	Mr. Sachin Shirgaokar	Member	1	1
4	Mr. Sohan Shirgaokar	Member	1	0

\* Mr. Sohan S. Shirgaokar ceases to be a member of Corporate Social Responsibility Committee from 1st January 2024, being appointed as Executive Director.

3. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report): Not applicable
4. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Financial Year	Amount available for set-off from preceding financial years (in Rs. lakh)	Amount required to be set off for the financial year, if any (in Rs.lakh)
2023-24	15.18	15.18

5. Average net profit of the company as per Section 135(5): Rs. 7,111.57 Lakh.
6. (a) Two percent of average net profit of the company as per section 135(5): Rs. 142.23 Lakh
  - (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL
  - (c) Amount required to be set off for the financial year, if any: Rs.15.18 Lakh
  - (d) Total CSR obligation for the financial year (7a+7b-7c): Rs.127.05 Lakh

7. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
Rs.151.09 Lakh	Not applicable				

(b) Details of CSR amount spent against ongoing projects for the financial year: **Not applicable**

1	2	3	4	5	6	7	8	9	10	11
Sr. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No).	Location of the project.	Project duration.	Amount allocated for the project (in Rs.).	Amount spent in the current financial Year (in Rs.).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency
				Sta- te	Dis- trict					Name CSR Regi- stra- tion Num- ber
Not Applicable										

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

1	2	3	4	5		6	7	8	
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/ No)	Location of the project.		Amounts spend for the project (in Rs. Lakh)	Mode of implementation Direct (Yes/No)	Mode of Implementation Through Implementing Agency	
				State	District			Name	CSR Registration number
1	Health Care	(ii)	Yes	Maharashtra	Sangli	5.00	No	SANJEEVAN MEDICAL FOUNDATION ASHWINI PARASAD HOSPITAL, STATION ROAD, MIRAJ MH, 416410	CSR0002 0620



2	Street Light	(x)	Yes	Karnataka	Belagavi	95.75	Yes	NA	NA
3	Projector - Distributed to School	(ii)	Yes	Karnataka	Belagavi	1.06	Yes	NA	NA
4	Music Instruments	(ii)	Yes	Maharashtra	Sangli	3.00	No	Sangeeta-charaya DV Kanebuva Prathishathan	CSR000 29042
5	District level Sports	(x)	Yes	Karnataka	Belagavi	2.50	Yes	NA	NA
6	Computers to School Lab	(ii)	Yes	Karnataka	Belagavi	3.05	Yes	NA	NA
7	Rural Road Development	(x)	Yes	Karnataka	Belagavi	36.56	Yes	NA	NA
8	Vehicle given to specially able persons	-	Yes	Karnataka	Belagavi	0.92	Yes	NA	NA
9	CC TV to School	(i)	Yes	Karnataka	Belagavi	3.25	Yes	NA	NA

(d) Amount spent in Administrative Overheads: Not applicable

(e) Amount spent on Impact Assessment, if applicable: Not applicable

(f) Total amount spent for the Financial Year (7b+7c+7d+7e): Rs.151.09 Lakh

(g) Excess amount for set off, if any:-

Sr. No.	Particulars	(Rs. in Lakhs)
a)	Two percent of average net profit of the company as per section 135(5)	142.23
b)	Total amount spent for the Financial Year	151.09
c)	Excess amount spent for the financial year [(ii)-(i)]	8.86
d)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	15.18
e)	Amount available for set off in succeeding financial years [(iii)-(iv)]	24.04

8. (a) Details of Unspent CSR amount for the preceding three financial years: Not applicable

Sr. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.) Amount spent in the reporting Financial Year (in Rs.).	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.	Amount remaining to be spent in succeeding financial years. (in Rs.)		
				Name of the Fund	Amount (in Rs).	Date of transfer	
Not Applicable (NIL)							

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Not applicable

1	2	3	4	5	6	7	8	9
Sr. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project Duration	Total Amount allocated for the project (in Rs.)	Amount spent on the project in the reporting Financial Year (in Rs).	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project - Completed/ Ongoing.
Nil								

9. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details)

- Date of creation or acquisition of the capital asset(s): Not applicable
- Amount of CSR spent for creation or acquisition of capital asset: Not applicable
- Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: Not applicable
- Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): Not applicable

10. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): Not applicable

**Dr. M. R. Desai**

Chairman CSR Committee  
(DIN - 01625500)  
The Ugar Sugar Works Ltd

**Mr. Niraj S. Shirgaokar**  
Managing Director  
(DIN - 00254525)  
The Ugar Sugar Works Ltd

**Mr. Chandan S. Shirgaokar**  
Managing Director  
(DIN - 00208200)  
The Ugar Sugar Works Ltd

Place : Sangli  
Date : 28<sup>th</sup> May 2024

## ANNEXURE IV

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014) for the year 2023-24

Details of material contracts or arrangements or transactions not at arm's length basis: Nil.

Details of material contracts or arrangements or transactions at arm's length basis

(a)	Name(s) of the related party	<b>Body Corporate</b> 1. S. B. Reshellers Pvt Ltd. 2. Gyanshree Enterprises 3. Sanjeev Suresh Shirgaokar (HUF) 4. Tara Tiles Pvt. Ltd. 5. Ugar Pipe Ind Pvt Ltd 6. Synergy Green Ind. Ltd
	Nature of relationship	Group Companies / Body Corporate / HUF.
(b)	Nature of contracts / arrangements / transactions	Purchase of Machinery, Spare Parts, Repairs & Maintenance, Sale of Scrap / Machinery Parts and Rent and Salaries, etc.
(c)	Duration of the contracts / arrangements / transactions	01-04-2023 to 31-03-2024
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Related party transactions are finalized based on the following procedure : a) Comparison of Quotations received from similar parties in the market b) The earlier performance of the party, quality of supply & services. c) Recommendations by Technical Team All the transactions are done at fair market value and on an arm's length basis. <u>Party names &amp; Values of Transaction.      Rs. in Lakhs.</u> 1. S. B. Reshellers Pvt. Ltd.    483.33 2. Gyanshree Enterprises    13.20 3. Sanjeev Suresh Shirgaokar (HUF)    33.02 4. Tara Tiles Pvt. Ltd.    3.42 5. Ugar Pipe Ind. Pvt. Ltd.    8.89 6. Synergy Green Industries Ltd.    3.00
(e)	Date(s) of approval by the Board	(Omnibus Approval for all Related Party Transaction has been obtained in Audit Committee Meeting held on 08/05/2023).
(f)	Amount paid as advances, if any:	Nil

## Annexure V

### Details of Remuneration as required under section 197 (12) of the Companies Act, 2013 Read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

- I. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2023-24, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2023-24 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under

Sr. No.	Name of Director/KMP and Designation	% Increase /Decrease in Remuneration in the Financial Year 2023-24	Ratio of Remuneration of each Director /to median remuneration of employees
1)	Niraj Shirgaokar Managing Director	158.36	219.10
2)	Chandan S. Shirgaokar Managing Director.	140.49	336.79
3)	Sohan S. Shirgaokar # Executive Director	NA	6.04
4)	Shrikanta V. Bhat Chief Financial Officer	17.50	NA
5)	Tushar V. Deshpande * Company Secretary	NA	NA

# appointed on 1<sup>st</sup> January 2024. \* resigned w.e.f. 29<sup>th</sup> February 2024.

- i) The median remuneration of employees of the company during the financial year was Rs.4.62 Lakh.
- ii) In the financial year, there was an increase of 22.32% in the median remuneration of employees;
- iii) There were 905 permanent employees on the rolls of company as on March 31, 2024;
- iv) Average percentage increase made in the salaries of employees other than the Key Managerial Personnel in the last financial year i.e. 2023-24 was 22.32% whereas the Increase in the managerial remuneration for the same financial year was 149.43%
- v) The key parameters for the variable component of remuneration availed by the directors are considered by the Board of Directors based on the recommendations of the Nomination and Remuneration Committee as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.
- vi) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year – Not Applicable.
- vii) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employee.
- viii) Details of top ten employees' remuneration as required under provisions of Section 197 of the Companies Act, 2013 and Rule 5(2) and 5(3) of Rules are available at the Registered Office of the Company during working hours, 21 days before the Annual General Meeting and shall be made available to any shareholder on request. Such details are also available on our Company's website: [www.ugarsugar.com](http://www.ugarsugar.com).



## MANAGEMENT DISCUSSION AND ANALYSIS

### Global Development:

Over the last 5 years, India has established as an efficient and consistent exporter of sugar to global market.

During 2022-23, the country could export just 6.4 million MT and could have exported more but could not because of Government restrictions on exports. These restrictions on exports continued for the year 2023-24 as well and therefore country's export numbers during the year are almost nil barring small exports to Nepal, Bhutan, Maldives.

International Sugar prices for both raw and white sugar have touched high of last 11 years due to lower crop not only in India but also Thailand in the year 2023-24. It has been seen that whenever Indian Sugar is not in global market, International Sugar prices takes apprehension of it and remains bullish. Brazil has achieved record sugar production during the year and most of global sugar requirement is fed by Brazil.

### Industrial Structure and Development:

During the year 2023-24, All India sugar production likely to dip to 34 million MT. During the year 2024-25, as per estimates Sugar production will further take a dip. While all these years sugar production continues to be higher than consumption, declining sugar production is certainly affecting the diversion of sugar towards Ethanol.

The year 2023-24 will be the first year when diversion of Sugar towards Ethanol will decline. Diversion of Sugar towards ethanol has increased significantly from the level of meager 0.5 million MT during year 2018-19 to 3.8 million MT during 2022-23. During 2023-24, this diversion figure will take a dip to an estimated level of 2.0 million MT.

Year 2023-24 has been very interesting, where initial estimates of gross Sugar production were low at level of 32 million MT on estimates of lower crop in state of Maharashtra and Karnataka. Such lower production estimates for the year raised inflation worries for the Government and provoked the Government to put restrictions on diversion of sugar towards Ethanol.

During mid-December, the Government reduced allocated quantity of B Heavy Ethanol / Syrup Ethanol orders issued by OMCs such that total diversion of sugar towards Ethanol is capped at level of 1.7 million MT.

However, situation did not turn out to be so bad as initially estimated and actual crop position in Maharashtra and Karnataka turned out to be better because of which estimates of gross All India sugar production is 34.0 million MT now. With improved crop position in state of Maharashtra and Karnataka, as per media reports, Government considering allowing additional diversion of sugar towards Ethanol which will take total diversion to estimated level of 2.0 million MT.

During last 5 years, both Central and State Governments have aggressively promoted Ethanol manufacturing capacities across the country. Central Government had allowed Interest subvention scheme which is coupled with various subsidy schemes floated by various State governments. As a result, current Ethanol manufacturing capacity stands at almost 900 Crore litres from Sugar route and 500 Crore litres from grain route which is in line with Government's roadmap.

Ethanol production, which till 5-6 years back was considered a by-product of Sugar Industry has now become an important product of Industry and time not far when is going to become the major / main product for the sector.

But restrictions imposed on Ethanol through sugar route during year 2023-24 has not only affected the Distillation capacity utilization of Industry but also the overall spirit of the sector. As per various statements from Government authorities, the said regulation on sugar diversion towards ethanol is temporary in nature and Government to allow additional diversion soon.

Government policies for the sector has been very supportive and pro-active because of which all the stakeholders of Sugar Industry are in win-win situation starting with farmers benefiting in form of better yields / Sugar recovery (barring weather related volatility), fast payments, good cane price, Sugar Mills benefiting from good Sugar recovery, diversion of excess sugar towards ethanol with better cash flow position, Trade benefiting from less price volatility and domestic consumer benefitting from easy availability of Sugar at much affordable prices as compared to other commodities and for economy by new investments in sector, increased collection of taxes / creation of new jobs, etc.

Having achieved the 12% blend in quick time, Govt is concurrently concentrating on ethanol from multiple feed stocks to achieve 20% blend target soon. Grain based ethanol is fast emerging as a sustainable alternative, more appropriately additional, source of supply.

### Opportunities and Threats:

#### Opportunities:

- To control falling prices, the government has introduced release mechanism and has also declared minimum selling price which is likely to go up to Rs.3300 per quintal.
- Environmental friendly power generation from co-generation units equipped with high-pressure boilers and turbines is getting maximum energy output.
- Bio-composting processes and conversion of organic and inorganic matter into bio-manure to ensure zero liquid discharge from the distillery.
- The Government of India is promoting Ethanol blending as per the National Biofuel Policy. There have set a target of achieving 20% blending of Ethanol with petrol by the year 2025. Currently, we are close to 10% blending in this financial year.

**Maize Ethanol** is hailed as a renewable, clean, and cost-effective alternative to traditional fuels like gasoline and cooking LPG, holds immense potential for India.

India stands at a critical juncture in its quest for energy security and sustainable development. The country's growing energy demand, coupled with concerns over environmental degradation and climate change, necessitates a transition towards cleaner and more sustainable energy sources. Corn Ethanol, derived primarily from agricultural feedstock such as sugarcane, rice, corn, and dented corn, offers a viable solution to these pressing challenges. Significant is the substantial support extended to farmers, underscoring the socio-economic dividends of corn ethanol production.

Looking ahead, the trajectory for corn ethanol's growth appears promising. Projections indicate a substantial increase in bio-fuel demand, with renewable diesel and corn ethanol expected to drive a near 30% growth, reaching 38 billion liters over 2023-2028. India, positioned as a key player in this global transition, has the potential to make significant strides in corn ethanol production, thereby

strengthening its energy resilience while mitigating environmental impact. Global trends indicate a surge in bio-fuel demand, with corn ethanol emerging as a key player in the transition towards renewable energy sources. Projections suggest a substantial increase in biofuel consumption, driven primarily by renewable diesel and corn ethanol.

The production of corn ethanol offers significant economic benefits for India, particularly in rural areas. Corn ethanol production creates employment opportunities across the value chain, from crop cultivation to processing and distribution. Moreover, the establishment of corn ethanol bio-refineries can simulate rural industrialization and infrastructure development, contributing to overall economic growth and poverty alleviation. Additionally, corn ethanol production generates valuable by-products such as distillers' dried grains with soluble (DDGS), which can be used as high-protein animal feed, further enhancing the economic viability of corn ethanol production.

To fully unlock the potential of corn ethanol and realize its socio-economic and environmental benefits, concerted efforts are required across multiple fronts.

- ❖ The government should provide financial incentives and subsidies to promote corn ethanol production, including tax breaks, grants for infrastructure development, and price support mechanisms for corn ethanol producers.
- ❖ Increase the mandatory blending percentage of corn ethanol in petrol to incentivize demand for corn ethanol and simulate investment in corn ethanol production capacity.
- ❖ Invest in research and development initiatives to improve corn ethanol production technologies, enhance crop yields, and develop sustainable feedstock supply chains.
- ❖ Facilitate market access for corn ethanol producers by streamlining regulatory processes, reducing bureaucratic hurdles, and promoting public-private partnerships for corn ethanol distribution and marketing.
- ❖ Provide technical assistance, training, and financial support to farmers to encourage the cultivation of corn ethanol feedstock and ensure fair and remunerative prices for their produce.

The concerted efforts in this regards, are crucial. Government intervention, in the form of incentivizing bio-refineries and ensuring duty-free import of corn, will be instrumental in catalyzing the corn ethanol revolution. Moreover, empowering Indian farmers through lucrative incentives and technological support is paramount, fostering a conducive ecosystem for sustainable corn ethanol production.

#### **Threats:**

The sugar industry presently is coming across the following threats:

- Shortage in the availability of farm labor for harvesting and transportation, loading and unloading of sugar cane.
- Continuous increase in FRP for the last 3 to 4 years has increased in cane procurement price, without any increase in the MSP of sugar.
- An increase in the number of sugar factories in the surrounding area and also an increase in their crushing capacity, leading to higher competition.

**Changes in Regulatory Framework****(i) Sugar Industry:-**

- ✓ GoI imposed stock holding norms and introduced MSQ for sugar from June '18 that continues to remain in vogue.
- ✓ GoI raised the MSP for sugar from Rs.29 to Rs.31 kg in Feb 19 that remains unrevised till date despite significant hike in FRP for sugarcane.
- ✓ GoI has discontinued export subsidy from SS 2021/ 22 and virtually banned sugar exports since Oct 22.
- ✓ Compulsory jute packing for sugar continues at 20% for Jute Year 2023-24. Monitoring has become stricter.

**(ii) Cane price**

- ✓ GoI in July 23 announced increase in FRP by Rs.10 qtl to Rs.315 qtl for SS 2023-24 that is linked to base recovery of 10.25%.
- ✓ GoI in Feb 24 announced increase in FRP by Rs.25 qtl to Rs.340 qtl for SS 2024-25 that is linked to base recovery of 10.25%.
- ✓ GoK introduction of H&T fixed rate chart.

**(iii) Ethanol**

- ✓ GST on sale of molasses reduced from 28% to 5% effective 20/10/2023.
- ✓ GST code amended in Oct 23 to create a separate category for industrial alcohol taxed at 18%.
- ✓ GoI in Dec 23 banned ethanol production from sugarcane juice/ sugar syrup and B-heavy molasses – Pursuant to industry appeal, Govt conceded sugar diversion of only 17 lac tonnes (as against the originally envisaged 35 lac tonnes contemplated in Oct 23).
- ✓ GoI in Dec 23 banned production of RS/ ENA from sugarcane juice and B-heavy molasses.
- ✓ GoI imposed export duty on molasses at 50% from 18/01/2024.
- ✓ GoI in Dec 23 extended the deadline for interest subvention support for ethanol project up to 30/06/24. Bank loan to be drawn before this date to qualify.
- ✓ BPCL on behalf of OMCs announced incentive of Rs. 6.87/ ltr for ethanol sourced from C-heavy molasses for ESY 2023/24 – effective price Rs. 56.28/ ltr – Prices of B-Heavy Molasses ( Rs. 60.73) and Sugarcane juice or syrup (Rs.65.61) remain static.
- ✓ GoI in order to meet the blending target, announced hike in price of ethanol produced from other agricultural products – rice (Rs. 64/ ltr) and Corn (Rs. 71.86 / ltr) for ESY 2023/24.



**Segment-wise Performance:**

**Sugar:**

During the Current Year the Company has crushed 20.87 Lakh MT of sugar cane from both Ugar and Jewargi unit (as against 23.99 Lakh MT during the previous year) and produced 15.11 Lakh QTLs of sugar (as against 16.49 Lakhs QTLs of sugar during the previous year) at the recovery of 11.05% and 9.00% respectively for Ugar and Jewargi unit.

**Industrial and Potable Alcohol:**

The company has produced 754.87 Lakh BLS of Industrial and Potable Alcohol during the year (against the last year's production of 888.37 Lakh BLS).

**Co-generation (Ugar & Jewargi):**

We have generated 1,658.49 Lakh kW power during the year at Ugar and Jewargi Unit (as against 1944.31 Lakh during the previous year) and have exported 748.83 Lakh KW of power during the year (as against 981.39 Lakh KW during the previous year). We have supplied power to the exchange through Electric Supply Companies (ESCOMS).

**Adequacy of Internal Control:**

The Company has a proper and adequate system of internal control to ensure that all assets are safeguarded and protected. The Internal Auditor submits a report covering almost all the areas of operations.

**Human Resources Development:**

The Company provides regular training and all-round exposure to the employees and staff. The Company has a well-equipped township with recreational facilities such as a clubhouse, playground, swimming pool, gymnasium, etc. The Company also operates a Cooperative Society, Hospital, School, and College for the benefit of the workers and the general public.

The Company has a dedicated workforce of 905 people (including the Jewargi unit) comprising of permanent, seasonal, and 69 employees in Honorarium.

## Annexure VI

### BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

#### SECTION A: GENERAL DISCLOSURES

##### I. Details of the listed entity

Sr. No.	Particulars	Information/Details
1.	Corporate Identity Number (CIN) of the Listed Entity:	L15421PN1939PLC006738
2.	Name of the Listed Entity:	THE UGAR SUGAR WORKS LIMITED
3.	Year of incorporation:	1939
4.	Registered office address:	MAHAVEER NAGAR, SANGLI, Maharashtra, 416416
5.	Corporate address:	Ugarkhurd, Dist- Belagavi, State Karnataka 591316
6.	E-mail	usw.sangli@ugarsugar.com
7.	Telephone	+91 233 2623717 / 08339-274000
8.	Website	www.ugarsugar.com
9.	Financial year for which reporting is being done	April 1, 2023, to March 31, 2024
10.	Name of the Stock Exchange(s) where shares are listed	Bombay Stock Exchange (BSE) and National Stock Exchange (NSE)
11.	Paid-up Capital	11,25,00,000 (Rupees Eleven Crore Twenty-Five Lakh only) equity shares of Re.1 each.
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	B G Kulkarni - Compliance Officer Mahaveer Nagar, Sangli, Maharashtra, 416416 Ph: 08339274000 Email: bg.kulkarni@ugarsugar.com
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities which form a part of its consolidated financial statements, taken together):	Disclosures made in this report are on a standalone basis and pertain only to The Ugar Sugar Works Limited

##### II. Details of the listed entity

##### 14. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	NIC Code	% of Turnover of the entity
1.	Manufacturing	Sugar	1702	41.88
		Industrial Alcohol	1101	36.19
		Power based on bagasse	3510	2.84
		Potable Alcohol	2207	11.60

**III. Operations****15. Number of locations where plants and/or operations/offices of the entity are situated:**

Location	Number of	Number of	Total
National	2*	4^	6
International		Nil	

\*Both plants are located in Karnataka ^Offices are located in Mumbai, Sangli, Belgavi, and Bangalore

**16. Markets served by the entity:****a. Number of locations**

Locations	Number
National (No. of States)	As on 31st March 2024, the company has its presence across India in all States.
International (No. of Countries)	The Company's sugar is exported to various countries, through Merchant exporters.

**b. What is the contribution of exports as a percentage of the total turnover of the entity?**

The Company does not export its products directly. However, during the year the company has not exported any sugar.

**c. A brief on types of customers**

The Company has various customers depending on its different products. The primary customers of the Company are as under:

❖ **Sugar:**

Institutional buyers like food, beverage manufacturers, dairy processing, bakery, biscuits, sweets, supermarkets, etc. Sales and distribution of sugar is done through wholesale traders distributing sugar for both household consumption and institutional sales.

❖ **Industrial Alcohol (Ethanol):**

To the oil companies for blending it with petrol.

❖ **Potable Alcohol (IML):**

Use Alcohol for making liquor and distributing through Karnataka State Beverages Corporation Ltd (KSBCL).

❖ **Co-Generation (power):**

Power is sold to open exchange through Power Trading Corporation (PTC.) However, During this year, before the start of Season the Karnataka Government issued order u/s 11. Under this the company has to supply the power to Government only.

**IV. Employees****17. Details as at the end of Financial Year:****a. Employees and workers (including differently abled ):**

Particulars	Total (A)	Male		Female	
		No. (B)	% (B / A)	No. (C)	% (C/A)
<b>EMPLOYEES</b>					
Permanent (D)	174	170	98.28%	4	1.72%
Other than Permanent (E)	69	68	98.55%	1	1.45%
<b>Total employees (D + E)</b>	<b>243</b>	<b>238</b>	<b>196.83%</b>	<b>5</b>	<b>3.17%</b>
<b>WORKERS</b>					
Permanent (F)	731	729	99.73%	2	0.27%
Other than Permanent (G) *	1712	1560	91.12%	152	8.88%
<b>Total workers (F + G)</b>	<b>2443</b>	<b>2289</b>	<b>93.70%</b>	<b>154</b>	<b>6.30%</b>

\* including Contractual Employees.

**b. Differently abled Employees and Workers:**

Particulars	Total (A)	Male		Female	
		No. (B)	% (B / A)	No. (C)	% (C/A)
<b>DIFFERENTLY ABLED EMPLOYEES</b>					
Permanent (D)	0	0	0.00%	0	0.00%
Other than Permanent (E)	0	0	0.00%	0	0.00%
Total employees (D + E)	0	0	0.00%	0	0.00%
<b>DIFFERENTLY ABLED WORKERS</b>					
Permanent (F)	0	0	0.00%	0	0.00%
Other than Permanent (G)	0	0	0.00%	0	0.00%
<b>Total workers (F + G)</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>	<b>0</b>	<b>0.00%</b>

**18. Participation/Inclusion/Representation of Women:**

Particulars	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors	14	2	14.29%
Key Management Personnel <sup>1</sup>	2	0	0%

\* Key Managerial Personnel includes Company Secretary and Chief Financial Officer



**19. Turnover rate for permanent employees and workers \*(Includes Retired Employees)**

	FY 2023-24			FY 2022-23			FY 2021-22		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	6	0	6	0	0	0	0	0	0
Permanent Workers	18	1	19	17	0	17	24	0	24

V. Holding, Subsidiary and Associate Companies (including joint ventures)

**20. Names of holding/subsidiary/ associate companies/ joint ventures: NA**

VI. CSR Details

**21. a. Whether CSR is applicable as per section 135 of the Companies Act, 2013: (Yes/No)**

YES

b. Turnover Rs. 1,27,723.66 Lakh

c. Net worth : Rs. 23,745.29 Lakh

VII. Transparency and Disclosures Compliance

**22. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:**

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide weblink for grievance redress policy)	2023-24			2022-23		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Shareholders	Yes	1	0	N.A.	1	0	N.A.
Employees and workers	Yes*	Nil	Nil	N.A.	Nil	Nil	N.A.
Customers	Yes*	Nil	Nil	N.A.	Nil	Nil	N.A.
Value Chain Partners	Yes*	Nil	Nil	N.A.	Nil	Nil	N.A.
Communities	Yes*	Nil	Nil	N.A.	Nil	Nil	N.A.
Investors (other than shareholders)	Yes*	Nil	Nil	N.A.	Nil	Nil	N.A.
Other (please specify)	Yes*	Nil	Nil	N.A.	Nil	Nil	N.A.

\* While the company does not have any formal redressal mechanism, a few issues arising by the Stakeholder group are addressed by the Company from time to time.

**23. Overview of the entity's material responsible business conduct issues**

Material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along with its financial implications are given below

Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative)
Raw Material	Risk	Being an integral and essential part of the manufacturing process its timely availability depends upon climate and other conditions like pricing.	Since Company management maintains cordial relations with farmers for an un interpreted supply of sugarcane to the factory.	<b>Negative</b>
Environmental Issues	Risk	The impact of climate change on agriculture, including sugar production, can be significant. Changes in rainfall patterns, temperatures, and extreme weather events can affect crop yields and quality.	Though the risk is not under control. The Company ensures to maintain production and manufacture of other bi products.	<b>Negative</b>
Water availability in the region	Risk/ Opportunity	The company is situated on the Banks of Krishna River and hippergi barrage is near the company. Sufficient Water is available to Run the Factory. But in the case of a drought situation, there is a shortage of Water.	Effective water management practices help the company to maintain sufficient water availability.	<b>Negative</b>
Labour Practices	Risk / Opportunity	Poor labour practices can pose risk of credibility and high labour turnover.	Company adopts fair labour practices to enhance the company's reputation and increase employee loyalty. This leads to lesser employee turnover.	<b>Negative</b>
Farmers Engagement	Risk	Sugar production requires a timely & continuous supply of good quality cane which may get affected due to improper farmer engagement.	The company through its Research & Development cell along with field staff ensures visits to farmers to support cultivation & guidance to enhance yield.	<b>Negative</b>
Government policy changes	Risk/ Opportunity	Change in the Government policies on FRP affects company and poses certain challenges.	The company follows Government guidelines to mitigate this risk. Company focuses on co-generation & manufacture of Bi-Products.	<b>Negative</b>

**SECTION B: MANAGEMENT AND PROCESS DISCLOSURES**

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

- P1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent, and Accountable.
- P2 Businesses should provide goods and services in a manner that is sustainable and safe.
- P3 Businesses should respect and promote the well-being of all employees, including those in their value chains.
- P4 Businesses should respect the interests of and be responsive to all its stakeholders.
- P5 Businesses should respect and promote human rights.
- P6 Businesses should respect and make efforts to protect and restore the environment.
- P7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.
- P8 Businesses should promote inclusive growth and equitable development.
- P9 Businesses should engage with and provide value to their consumers in a responsible manner.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>Policy and management processes</b>									
a. Whether your company's policy/ policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link available of the Policies, if available	1. Code of Conduct for Directors and Senior Management 2. Nomination and Remuneration Policy 3. Policy on Related Party Transactions 4. Code of Fair Disclosure of UPSI 5. Code of Conduct for Regulation of Trading by Insiders 6. Determination of materiality of events and dissemination policy 7. Board Performance Evaluation 8. Succession Plan for Board and Senior Management 9. Policy on Vigil Mechanism 10. Familiarization Programmes for Independent Directors 11. Risk Management Policy 12. Policy on Material Subsidiaries 13. Business Responsibility Policy 14. Code of Conduct for Independent Directors 15. Dividend Distribution Policy 16. CSR Policy The above policies can be accessed at the below web link: <a href="https://www.ugarsugar.com">https://www.ugarsugar.com</a>								
2. Whether the company has translated the policy into procedures. (Yes/ No)	Yes								
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	No. But management is taking steps and measures to extend certain policies with our value chain partners also.								

4. Name of the national and international codes/ certifications/ labels/ standards (e.g., Forest Stewardship Council, Fair trade, Rainforest Alliance, and Trustee) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your company and mapped to each principle.	ISO 9001:2015 ISO 14001:2015
5. Specific commitments, goals, and targets set by the company with defined timelines, if any.	The company is setting up guidelines and timeline for various compliances under Environmental, Social and Governance principles.
6. Performance of the company against the specific commitments, goals, and targets along with reasons in case the same are not met.	Since this is our first Business Responsibility and Sustainability Report, Management is in the process of setting specific goals.
7. Statement by the director responsible for the business responsibility report, highlighting ESG-related challenges, targets, and achievements (the listed company has flexibility regarding the placement of this disclosure)	Company is committed towards ESG principles. We are a responsible sugar and energy generation Company in India. Last two years company also produced ethanol and industrial alcohol which are used as biofuels. Our focus is always strive on energy utilization and environmental protection. Through our report on CSR activity, one can observe our commitment toward society, upliftment of village people, and educating youth thus impacting the lives of local communities.
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. Niraj Shirgaokar & Mr. Chandan S. Shirgaokar - Managing Directors
9. Does the company have a specified Committee of the Board/Director responsible for decision-making on Sustainability related issues? (Yes/ No). If yes, provide details.	No.

**Details of review of NGRBCs by the Company:**

Subject for review	Indicate whether review was undertaken by the Director/ Committee of the Board/Any other Committee	Frequency (Annually/ Half-yearly/ Quarterly/ Any other – please specify)
	P P P P P P P P P P	P P P P P P P P P P
	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9
Performance against the above policies and follow-up action Compliance with statutory requirements of relevance to the principles and rectification of any non-compliance	The Company is in the process of finalizing structure for periodic review of these principles.	

**11. Has the Company carried out an independent assessment/evaluation of the working of its policies by an external agency? (Yes/ No) If yes, provide the name of the agency.**

Not at present.



12. If the answer to question (1) above is "No" i.e., not all Principles are covered by a policy, reasons to be stated:

Questions	Indicate whether review was undertaken by the Director/ Committee of the Board/Any other Committee								
	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business(Yes/No)	<b>NOT APPLICABLE</b>								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/ human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

**SECTION C: PRINCIPLE-WISE PERFORMANCE DISCLOSURE**

**PRINCIPLE 1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable**

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	The company organizes certain programme/ training on safety, Hazardous waste management for workers & employees. The company is in process of preparing scheduled structure program for the target segment.		
Key Managerial Personnel			
Employees other than BoD and KMPs			
Workers			

2. Details of fines/penalties/punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Monetary\*

	NGRBC Principle	Name of the regulatory/Enforcement agencies/judicial institutions	Amount	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/Fine			NIL		
Settlement					
Compounding fee					

**Non-Monetary\***

	<b>NGRBC Principle</b>	<b>Name of the regulatory/ Enforcement agencies/judicial institutions</b>	<b>Amount</b>	<b>Brief of the Case</b>	<b>Has an appeal been preferred? (Yes/No)</b>
Imprisonment			No		
Punishment					

**3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.**

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
NIL	

**4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web link to the policy.**

Yes. While the company do not have separate Policy on anti-corruption & anti-bribery these are covered by code of conduct for Directors & Senior Management.

**5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:**

	<b>FY 2023-24</b>	<b>FY 2022-23</b>
Directors	None	None
KMPs		
Employees		
Workers		

**6. Details of complaints with regard to conflict of interest:**

	<b>FY 2023-24</b>		<b>FY 2022-23</b>	
	<b>Number</b>	<b>Remarks</b>	<b>Number</b>	<b>Remarks</b>
Number of complaints received in relation to issues of Conflict of Interest of the Directors	None	Not Applicable	None	Not Applicable
Number of complaints received in relation to issues of Conflict of Interest of the KMPs				

**7. Provide details of any corrective action taken or underway on issues related to fines/penalties/ action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest:**

Not Applicable

Leadership Indicators

**1. Awareness programmes conducted for value chain partners on any of the principles during the financial year**

Total number of awareness programmes held	Topics / principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
None	Not Applicable	Not Applicable

**2. Does the entity have processes in place to avoid/ manage conflicts of interest involving members of the Board? (Yes/No) If Yes, provide details of the same.**

Yes. The Company has internal control systems and policies in place to manage conflicts of interest involving members of the board. There is a code of conduct for senior management and directors in place to manage conflicts of interest among them.

	FY 2023-24	FY 2022-23	Details of improvements in environmental and social impacts of product and processes
R&D	Nil	Nil	–
Capex	Nil	Nil	–

**2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No) Yes**

**b. If yes, what percentage of inputs were sourced sustainably?**

The primary raw material of the company is sugarcane, comprising approximately 90% of the total input. Hence, preference is always given to sourcing from local farmers.

**3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste, and (d) other waste.**

Sugar is the primary product of the Company. The cane-crushing process produces molasses, which is used to make ethanol. Bagasses and discarded wash two by products. These are utilised as fuels to produce clean energy.

**4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes/ No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

Yes. The company is covered by Extended Producer Responsibility and adheres to the regulations coming under this responsibility.

Leadership Indicators

**1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for the manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

Not Applicable.

**2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**

Not Applicable.

**3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

Indicate input material	Recycled or re-used input material to total material	
	FY 2022-24	FY 2022-23
NA		



4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

Particulars	FY 2023-24			FY 2022-23		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics(including packaging)	NIL	NIL	251	NIL	NIL	NIL
E-waste	NIL	NIL	NIL	NIL	NIL	NIL
Hazardous waste	NIL	NIL	6.06 KL	NIL	NIL	5.67KL
Other waste	NIL	NIL	0.08	NIL	NIL	1.97MT

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
None	Not Applicable

**PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains**

Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<b>Permanent employees</b>											
Male	170	NIL	NIL	170	100%	NIL	NIL	NIL	NIL	NIL	NIL
Female	4	NIL	NIL	4	100%	NIL	NIL	NIL	NIL	NIL	NIL
Total	174	NIL	NIL	174	100%	NIL	NIL	NIL	NIL	NIL	NIL
<b>Other than Permanent employees</b>											
Male	68	NIL	NIL	68	100%	NIL	NIL	NIL	NIL	NIL	NIL
Female	1	NIL	NIL	1	100%	NIL	NIL	NIL	NIL	NIL	NIL
Total	69	NIL	NIL	69	100%	NIL	NIL	NIL	NIL	NIL	NIL

\* all employees and workers have access the Company has a hospital free of cost.



**b. Details of measures for the well-being of workers:**

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<b>Permanent employees</b>											
Male	729	NIL	NIL	729	100%	NIL	NIL	NIL	NIL	NIL	NIL
Female	2	NIL	NIL	2	100%	NIL	NIL	NIL	NIL	NIL	NIL
Total	731	NIL	NIL	731	100%	NIL	NIL	NIL	NIL	NIL	NIL
<b>Other than Permanent employees</b>											
Male	1560	NIL	NIL	1560	100%	NIL	NIL	NIL	NIL	NIL	NIL
Female	152	NIL	NIL	152	100%	NIL	NIL	NIL	NIL	NIL	NIL
Total	1712	NIL	NIL	1712	100%	NIL	NIL	NIL	NIL	NIL	NIL

\* all employees and workers have access the Company has a hospital free of cost.

**2. Details of retirement benefits, for the Current FY and Previous Financial Year**

Benefits	FY 2023-24			FY 2022-23		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	y	100%	100%	y
Gratuity	100%	100%	y	100%	100%	y
ESI	NA	NA	NA	NA	NA	NA
Others -please specify	NA	NA	NA	NA	NA	NA

**3. Accessibility of workplace**

Are the premises/ offices of the entity accessible to differently-abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

At present, there are no differently abled employees in the Organization. Hence no access facility at present.

**4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016?**

If so, provide a web link to the policy.

The Company recognizes the importance of providing equal opportunities to all and does not tolerate discrimination on the basis of disabilities of any kind, background or identity.

**5. Return to work and Retention rates of permanent employees and workers that took parental leave.**

Company does not have parental leave.

**6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.**

	<b>Yes/No (If Yes, then give details of the mechanism in</b>
Permanent Workers	Yes. The Company encourages its employees and workers to first talk to their Section Head. If the grievance is not redressed, they can escalate the matter to the Labour Welfare Officer. Finally, if the Labour Welfare Officer is not in a position to satisfy the aggrieved party, the staff can escalate the matter to the HR Head of the Company.
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	

**7. Membership of employees and worker in association(s) or Unions recognised by the listed entity**

Category	FY 2023-24			FY 2022-23		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent Employees	174	19	10.92%	75	13	17.33
Male	170	17	10%	73	12	16.43
Female	4	2	50%	2	1	50.00
Total Permanent Worker	731	562	76.88%	838	466	55.61
Male	729	562	77.09%	835	466	55.80
Female	2	0	0	3	1	33.33

**8. Details of training given to employees and workers:**

Category	FY 2023-24					FY 2022-23				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>Employees</b>										
Male	238	111	46.64%	0	0	958	NIL	NIL	79	
Female	5	2	40%	0	0	7	NIL	NIL	2	
<b>Total</b>	<b>243</b>	<b>113</b>	<b>46.50%</b>	<b>0</b>	<b>0</b>	<b>965</b>	<b>NIL</b>	<b>NIL</b>	<b>81</b>	
<b>Workers</b>										
Male	2289	627	27.39%	0	0	1502	340	22.64	140	
Female	154	0	0.00	0	0	174	NIL	NIL	0	
<b>Total</b>	<b>2443</b>	<b>627</b>	<b>25.67%</b>	<b>0</b>	<b>0</b>	<b>1676</b>	<b>340</b>	<b>20.29</b>	<b>140</b>	

**9. Details of performance and career development reviews of employees and workers:**

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
<b>Employees</b>						
Male	170					
Female	4	There is annual performance review by the management every year				
Total	174					
<b>Workers</b>						
Male	729					
Female	2	There is annual performance review by the management every year				
Total	731					

**10. Health and safety management system:**

- a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage of such a system?  
Yes, an occupational health and safety management system has been implemented which includes all employees including contractual workers.
- b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?  
Work related hazards are identified and the company conducts periodic medical check up for all such workers.
- c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)  
The company encourages and has implemented a system that enables all workers to report work related hazards in writing through suggestion boxes and also verbally to their supervisors or safety officers.
- d. Do the employees/ workers of the entity have access to non-occupational medical and healthcare services? (Yes/ No)  
Yes, all employees and workers have access to non-occupational medical and healthcare services. The Company has a hospital with sufficient medical staff.

**11. Details of safety related incidents, in the following format:**

Safety Incident/Number	Category	FY 2023-24	FY 2022-23
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	Nil	Nil
	Workers	5.3256	Nil
Total recordable work-related injuries	Employees	Nil	Nil
	Workers	2	Nil
No. of fatalities	Employees	Nil	Nil
	Workers	Nil	Nil
High-consequence work-related injury or ill-health (excluding fatalities)	Employees	Nil	Nil
	Workers	Nil	Nil



**12. Describe the measures taken by the entity to ensure a safe and healthy workplace.**

The company regularly conducts mock drills, on-site safety training, and free annual medical check-up for all employees. Displayed safety boards at many places.

**13. Number of Complaints on the following made by employees and workers:**

	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	None	None	NA	None	None	NA
Health & Safety	None	None	NA	None	None	NA

**14. Assessments for the year.**

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	NIL
Working Conditions	

**15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/ concerns arising from assessments of health & safety practices and working conditions.**

NIL

**Leadership Indicators**

**1. Does the entity extend any life insurance or any compensatory package in the event of the death of (A) Employees (Y/N) (B) Workers (Y/N).**

The company proposes accidental insurance policy for all employees and workers. However, in case of any undue incident happens the company compensates the employee.

**2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**

The company makes payment to value chain partners only upon producing proof of payment of statutory dues.

**3. Provide the number of employees/workers having suffered high consequence work-related injury / ill health / fatalities (as reported in QII of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

	Total no. of affected employees/workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2023-24	FY 2021-22	FY 2023-24	FY 2022-23
Employees	NIL			
Workers				



4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)  
No.

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	None
Working Conditions	None

6. Provide details of any corrective actions taken or underway to address significant risks/ concerns arising from assessments of health and safety practices and working conditions of value chain partners

Not applicable.

**PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders Essential Indicators**

1. Describe the processes for identifying key stakeholder groups of the entity.

The Company has identified key stakeholders such as employees, cane growers, suppliers shareholders, and regulators.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No	Email, Notice Boards,	Regularly	Information
Cane Growers	No	Personal visit, News bulletin Notice Board	Regularly	Educational / Informative
Suppliers	No	Email	Regularly	Query redressal
Shareholders	No	Emails, Websites, newspapers	Quarterly	Business performance updates, announcements, etc.
Regulators	No	Email, Letters	Regularly/ periodic	Statutory fillings/ information

**Leadership Indicators**

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

There is informal communication between stakeholders & management.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into the policies and activities of the entity.

No stakeholder consultation on environmental & social topics.

3. Provide details of instances of engagement with, and actions taken to address the concerns of vulnerable / marginalized stakeholder groups.

NIL

**PRINCIPLE 5 Businesses should respect and promote human rights Essential Indicators**

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. of employees /workers covered (B)	% (B / A)	Total (C)	No. of employees /workers covered (D)	% (D / C)
<b>Employees</b>						
Permanent	174	NIL	NIL	127	NIL	NIL
Other than permanent	69	NIL	NIL	32	NIL	NIL
Total Employees	243	NIL	NIL	159	NIL	NIL
<b>Workers</b>						
Permanent	731	NIL	NIL	838	NIL	NIL
Other than permanent	1712	NIL	NIL	1644	NIL	NIL
Total Workers	2443	NIL	NIL	2482	NIL	NIL

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2023-24					FY 2022-23				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>Employees</b>										
<b>Permanent</b>										
Male	170	170	100%	0	0	123	123	100%	0	0
Female	4	4	100%	0	0	4	4	100%	0	0
<b>Other than Permanent</b>										
Male	68	68	100%	0	0	32	32	100%	0	0
Female	1	1	100%	0	0	0	0	0	0	0
<b>Workers</b>										
<b>Permanent</b>										
Male	729	729	100%			NA	835	0	0	835
Female	2	2	100%			NA	3	0	0	3
<b>Other than Permanent</b>										
Male	1560	1560	100%		100%	NA	1470	0	0	1470
Female	152	152	100%		100%	NA	174	0	0	174

**3. Details of remuneration/ salary/wages, in the following format:**

(Rs. in Lacks)

Category	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BOD)*	12	5.00	2	5.00
Key Managerial Personnel"	4	66.00	0	0
Employees other than BOD and KMP\$	969	3.77	7	4.50
Workers (only contract labours)	1712	0.89	152	0.69

\* Commission given to Non-Executive Directors is considered. " Key Managerial Personnel includes Managing Directors. \$ Employees also includes permanent workers.

**4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)**

No

**5. Describe the internal mechanisms in place to redress grievances related to human rights issues**

NIL at present

**6. Number of Complaints on the following made by employees and workers:**

Category	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	NIL	NIL	N.A.	NIL	NIL	N.A.
Discrimination at workplace	NIL	NIL	N.A.	NIL	NIL	N.A.
Child Labour	NIL	NIL	N.A.	NIL	NIL	N.A.
Forced Labour/ Involuntary Labour	NIL	NIL	N.A.	NIL	NIL	N.A.
Wages	NIL	NIL	N.A.	NIL	NIL	N.A.
Other human rights-related issues	NIL	NIL	N.A.	NIL	NIL	N.A.

**7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

Not Applicable

**8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

No.



**9. Assessments for the year:**

	<b>% of your plants and offices that were assessed (by entity or statutory authorities or third parties)</b>
Child labour	NIL
Forced/involuntary labour	NIL
Sexual harassment	NIL
Discrimination at workplace	NIL
Wages	NIL
Others - please specify	NIL

**10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.**

NIL

**Leadership Indicators**

**1. Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints.**

NIL

**2. Details of the scope and coverage of any Human rights due-diligence conducted.**

No due diligence conducted

**3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?:**

No.

**4. Details on assessment of value chain partners:**

	<b>% of value chain partners (by value of business done with such partners) that were assessed</b>
Sexual Harassment	NIL
Discrimination at workplace	NIL
Child Labour	NIL
Forced Labour/Involuntary Labour	NIL
Wages	NIL
Others - please specify	NIL

**5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**

N/A

**PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment  
Essential Indicators**

**1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**



Parameter	FY 2023-24		FY 2022-23	
	Total electricity consumption (A) (KHW)	81904550	14920015	83322800
Total fuel consumption (B)	NIL	NIL	NIL	NIL
Energy consumption through other sources (C)	NIL	NIL	NIL	NIL
Total energy consumption (A+B+C)	81904550	14920015	83322800	18059724
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	0.0074		0.0052	
Energy intensity (optional) - the relevant metric may be selected by the entity	—	—	—	—

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

No.

Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2023-24	FY 2022-23
Water withdrawal by source (in kilolitres)		
(i) Surface Water	2198747	118109567*
(ii) Ground Water	0	0
(iii) Third Party Water	0	0
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kilolitres) (i + ii + iii+ iv+ v)	2198747	118109567
Total volume of water consumption (in kilolitres)	2198747	118109567
Water intensity per rupee of turnover (Water consumed/ turnover)	0.00017	0.0061
Water intensity (optional)-the relevant metric maybe selected by the entity	—	—

\* usage of water in considered when plant is running on full capacity during the season.

3. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Yes. The spent wash is passed through MEE and drier to get spent wash powder which is sold/used as manure. The condensate from MEE (2035 KLD) & the spent lees (917 KLD) will be treated in bio digester followed by stripper & UV system and recycled completely.

4. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Specify Unit	FY 2023-24		FY 2022-23	
		Ugar	Jewargi	Ugar	Jewargi
NOx	Mg/Nm3	13.05	19.80	24.07	13.4
Sox	mg/Nm3	6.24	11.00	13.50	22.4
Particulate matter (PM)	mg/Nm3	88.04	31.20	90.15	64.8

Parameter	Specify Unit	FY 2023-24	FY 2022-23
<b>Total Scope 1 emissions</b> (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	Bagass is being used as fuel in high pressure boilers & electrical energy generated being used for captive use & export to grid. This project is registered under UNFCCC The company has provided ESP as air pollution control measures to bring down the emission below the norms. Co2 generated during fermentation process is being collected & filled into cylinder as carbonic gas.	
<b>Total Scope 2 emissions</b> (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent		
<b>Total Scope 1 and Scope 2 emissions per rupee of turnover</b>	Metric tonnes of CO2 equivalent		
<b>Total Scope 1 and Scope 2 emission intensity (optional)-</b> the relevant metric may be selected by the entity	NA		
Water intensity (optional) - the relevant metric maybe selected by the entity			

**6. Does the entity have any project related to reducing Green House Gas emission? If yes then provide details.**

The company has already executed a project to reduce Green Gas emission under Clean Development Management.

**7. Provide details related to waste management by the entity, in the following format:**

Parameter	FY 2023-24	FY 2022-23
Total Waste Generated (in Metric Tonnes)		
Plastic waste (A)	251	148
E-waste(B)	0	0
Bio-medical waste (C)	0	0
Construction and demolition waste (D)	0	0
Battery waste (E)	1.03	0.972
Radioactive waste (F)	0	0
Other Hazardous waste. Please specify, if any. (G)	0	0
Other Non-hazardous waste generated (H) Please specify, if any. (Break-up by composition i.e., by materials relevant to the sector)	0	0
Total(A+B + C + D +E + F + G +H)	252.03	148.972
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>		
Category of Waste	0	0
(i) Recycled	0	0
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
<b>Total</b>	<b>0</b>	<b>0</b>
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>		

Category of waste			
(i) Incineration		0	
(ii) Land filling		5	
(iii) Other Disposal Operations			
	ETP Sludge Manure	610	2
	Press mud as Mannure	63289	800
	Bagasse used as fuel	550049	6600
<b>Total</b>		<b>7407</b>	

**8. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

The company is not generating any toxic waste. The practice adopted for usage of waste water is mentioned above.

**9. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:**

Not Applicable

**10. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

Yes. The company has prepared Environmental Impact Assessment Report.

**11. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules there under (Y/N). If not, provide details of all such non compliances, in the following format:**

We are following all environmental laws, regulations & guidelines.

**Leadership Indicators**

**1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:**

Parameter	FY 2023-24		FY 2022-23	
	Ugar	Jewargi	Ugar	Jewargi
<b>From renewable sources (GJ)</b>				
Total electricity consumption(A) (KWH)	76672500	14246000	78969500	17420000
Total fuel consumption (B)	NIL	NIL	NIL	NIL
Energy consumption through other sources (C)	NIL	NIL	NIL	NIL
Total energy consumed from renewable sources (A+B+C)	76672500	14246000	78969500	17420000
<b>From non-renewable sources (GJ)</b>				
Total electricity consumption (D) (KWH)	5232050	674015	4353300	631520
Total fuel consumption (E)	NIL	NIL	NIL	NIL
Energy consumption through other sources (F)	NIL	NIL	NIL	NIL
Total energy consumed from non-renewable sources (D+E+F)	5232050	674015	4353300	631520

Parameter	FY 2022-23	FY 2021-22
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
<b>(i) To Surface water</b>		
- No treatment		NA
- With treatment - please specify level of treatment	8417	791240*
<b>(ii) To Groundwater</b>		
- No treatment	NA	NA
- With treatment - please specify level of treatment	NA	NA
<b>(iii) To Seawater</b>		
- No treatment	NA	NA
- With treatment - please specify level of treatment	NA	NA
<b>(iv) ent to third-parties</b>		
- No treatment	NA	NA
- With treatment - please specify level of treatment	Digesters	NA
<b>(v) Others*</b>		
- No treatment	NA	NA
- With treatment- please specify level of treatment	Sugar ETP	NA
<b>Total water discharged (in kilolitres)</b>	8417	NA

\* based on full capacity crushing during season.

### 3. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

**For each facility/ plant located in areas of water stress, provide the following information:**

The plant is not located in the area of water stress. Hence not applicable.

#### (i) Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2023-24	FY 2022-23
Water withdrawal by source (in kilolitres)		NA
(i) Surface water	2198747	
(ii) Groundwater	NA	
(iii) Third party water	NA	
(iv) Seawater / desalinated water	NA	
(v) Others	NA	
<b>Total volume of water withdrawal (in kilolitres)</b>	<b>NA</b>	
<b>Total volume of water consumption (in kilolitres)</b>	<b>2198747</b>	
Water intensity per rupee of turnover (Water consumed / turnover)		
<b>Water intensity</b> (optional) - the relevant metric may be selected by the entity	NA	
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
<b>(i) Into Surface water</b>		
- No treatment	8417	NA
- With treatment - please specify level of treatment	NA	



<b>(ii) Into Groundwater</b>		
- No treatment	8417	NA
- With treatment - please specify level of treatment	NA	
<b>(iii) Into Seawater</b>		
- No treatment	NA	
- With treatment - please specify level of treatment		
<b>(iv) Sent to third-parties</b>		
- No treatment	NA	
- With treatment - please specify level of treatment		
<b>(v) Others</b>		
- No treatment	NA	
- With treatment - please specify level of treatment/\		
<b>Total water discharged (in kilolitres)</b>	8417	NA

**4. Please provide details of total Scope 3 emissions & its intensity, in the following format:**

The company is yet to formulate Scope 3 emission policy implementation.

**5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.**

The Company is not operating in ecologically sensitive area.

**6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:**

Sr. No.	Initiative undertaken	Details of the initiative link, if any, may be provided along-with summary)	Outcome of the initiative
1	Providing ETP for Boillers	Used in Boilers	Ensuring emission level below specified norms
2	New Technology for ETP	Defase irrigation system instead of surface irrigation system.	Discharge of treated effluents below norms.
3	Renewable Energy	Bagasse used as energy source & ethanol	Cost effective alternative for fuel.

**7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.**

Yes. The company has a disaster management plan in its place. The plan aims to contain the incident, reduce casualties, and conduct a swift and efficient relief and rescue operation without needless delay, and ensure that every member of the emergency operation, including the response team and employees, is aware of their respective responsibilities in an emergency. Further, we have taken back ups for all data of SAP operations.

**8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?**

No adverse impact on environment.

**9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.**

NIL.

**PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent**

**Essential Indicators**

1. a. Number of affiliations with trade and industry chambers/ associations.: 06
- b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

Sr. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Indian Sugar Mills Association (ISMA)	National
2	All India Distillers' Association (AIDA)	National
3	Karnataka Brewers & Distillers Association	State
4	South Indian Sugar Mills Association SISMA	State
5	Maharashtra Economic Development Council	State
6	The Deccan Sugar Technologists' Association (India)	State

**2. Provide details of corrective action taken or underway on any issues related to anticompetitive conduct by the entity, based on adverse orders from regulatory authorities.**

Not Applicable

**Leadership Indicators**

**1. Details of public policy positions advocated by the entity**

Sr. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/Quarterly/ Others – please	Web Link, if available
NIL					

**PRINCIPLE 8 Businesses should promote inclusive growth and equitable development Essential Indicators**

**1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year**

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency	Results communicated in public domain (Yes /	Relevant Web link
NIL					

**2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**

Sr. No.	Name of Project for which R&R is	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
We do not have any project that requires rehabilitation & resettlement.						

**3. Describe the mechanisms to receive and redress grievances of the community.**

The redressal mechanism is through personal meetings/ communications.

**4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

	FY 2023-24	FY 2022-23
Directly sourced from MSMEs / small producers	100%	100%
Sourced directly from within the district and neighboring districts	100%	100%

**Leadership Indicators**

**1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**

Not Applicable

**2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

Not Applicable

**3.**

a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)	Though the company does not have policy, we procure 100% from farmers in near by area.
b) From which marginalized /vulnerable groups do you procure?	
c) What percentage of total procurement (by value) does it constitute?	

**4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge**

NIL

**5. Details of corrective actions taken or under way, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.**

NA

**6. Details of beneficiaries of CSR Projects:**

The beneficiaries include the community at large of Ugar Khurd & Jevargi village & nearby areas through various projects undertaken by the company. Such as street lights, financial assistance to hospital, construction of toilets for primary school.

**PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner**  
**Essential Indicators**

**1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

The consumers can reach the company through email, letters & personal visits.

**2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:**

	As a percentage to total turnover
Environmental and social parameters relevant to the product	100%
Safe and responsible usage	
Recycling and/ or safe disposal	



**3. Describe the mechanisms to receive and redress grievances of the community.**

The redressal mechanism is through personal meetings/ communications.

**4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

	FY 2023-24		Remarks	FY 2022-23		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	No Complaints were received					
Advertising						
Cyber-security						
Delivery of essential services						
Restrictive Trade Practices						
Unfair Trade Practices						
Others - Quality						

**4. Details of instances of product recalls on account of safety issues:**

No instances of product recall.

**5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/ No) If available, provide a web-link of the policy**

Currently there is no policy on cyber security & data privacy.

**6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/ action taken by regulatory authorities on safety of products/ services.**

Not Applicable

**Leadership Indicators**

**1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**

On company website: [www.ugarsugar.com](http://www.ugarsugar.com)

**2. Steps taken to inform and educate consumers about safe and responsible usage of products and/ or services.**

Required information appears on product package.

**3. Mechanisms in place to inform consumers of any risk of disruption/ discontinuation of essential services.**

Not Applicable

**4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

The company displays mandated information on the product packages as per law. No survey of consumer satisfaction was carried by company.

**5. Provide the following information relating to data breaches: NIL**

**a. Number of instances of data breaches along-with impact: NIL**

**b. Percentage of data breaches involving personally identifiable information of customers: NIL**



## REPORT ON CORPORATE GOVERNANCE

### I. Company's Philosophy on Corporate Governance:

The Ugar Sugar Works Limited believes that good Corporate Governance is essential to achieve long-term corporate goals, enhance shareholders' value and attain the highest level of transparency. The Company is committed to achieving the highest standard of Corporate Governance, accountability, and equity in all facets of its operations and all interaction with stakeholders. The Company believes that all its operations and actions must serve the underlined goal of enhancing customers' satisfaction and shareholders' value over a sustained period of time.

### II. Board of Directors:

- A. The Board of Directors comprises Seven Promoter Directors (Non-Executive Chairman, two Managing Directors, One Executive Director and Three Non-executive Directors including a Woman Director) and Seven Non-Executive Independent Directors (including a Woman Independent Director) as on 31<sup>st</sup> March 2024.

During the year, 6 (Six) Board Meetings were held on 8<sup>th</sup> May 2023, 10<sup>th</sup> August 2023, 8<sup>th</sup> November 2023, 18<sup>th</sup> December 2023, 2<sup>nd</sup> January, 2024 and 13<sup>th</sup> February 2024.

- B. The Composition of the Board of Directors, their attendance at the Board meetings during the year and at the last Annual General Meeting along with the number of directorships in other companies, and committee chairmanship/memberships are as follows:

Name of Directors	Category of Directorship	No. of Board Meetings Attended	Attendance at last AGM	No. of other Directorship #	Other Committee Membership/ Chairmanship \$		List of Directorship held in Other Listed Companies and Category of Directorship
					Member	Chairman	
1. Mr. Shishir S. Shirgaokar	P/Chairman	6	Yes	6	-	1	Synergy Green Industries Limited-Director
2. Mr. P. V. Shirgaokar	P/NED	5	Yes	4	-	-	-
3. Mr. Niraj S. Shirgaokar	P/MD	6	Yes	4	-	-	-
4. Mr. Chandan S. Shirgaokar	P/MD	6	Yes	3	1	-	Synergy Green Industries- Director
5. Mr. Sachin R. Shirgaokar	P/NED	6	Yes	3	-	-	Synergy Green Industries Limited- Managing Director
6. Mr. Sohan S. Shirgaokar	P/ED	5	Yes	3	-	-	Synergy Green Industries Limited- Managing Director
7. Mrs. Shilpa Kumar	P/NEWD	6	Yes	4	-	-	Sewa Grih Rin Limited: Nominee Director

Name of Directors	Category of Directorship	No. of Board Meetings Attended	Attendance at last AGM	No. of other Directorship #	Other Committee Membership/ Chairmanship \$		List of Directorship held in Other Listed Companies and Category of Directorship
					Member	Chairman	
8. Mr. V. Balasubramanian	NEID	5	Yes	3	-	-	-----
9. Dr. M. R. Desai	NEID	6	Yes	4	-	-	Synergy Green Industries Limited-Director
10. Mr. D. B. Shah	NEID	6	Yes	0	-	-	-----
11. Mr. Rakesh V. Kapoor	NEID	6	Yes	2	1	1	Gulshan Polyols Limited: Director
12. Mr. Harl Y. Athawale	NEID	6	Yes	0	-	-	-
13. Mr. Shripad S. Gangavati	NEID	6	Yes	1	-	-	-
14. Ms. Suneeta S. Thakur	NEWID	5	Yes	0	-	-	-

P- Promoter, MD - Managing Director, ED- Executive Director, NED - Non-Executive Director, NEID- Non-Executive Independent Director, NEWD - Non-Executive Woman Director, NEWID- Non-Executive Woman Independent Director.

# Excluding Directorships held in Foreign Companies and Section 8 Companies.

\$ Committees considered are Audit Committee, Stakeholders Relationship Committee & Nomination & Remuneration Committee.

Except for sitting fees, commission, if applicable, and professional fees, no other remuneration is paid to Non-Executive Directors. Leave of absence is granted to the directors absent from meetings.

#### Inter se Relationship between Directors.

Mr. Shishir S. Shirgaokar (Chairman) is the father of Managing Director Mr. Niraj Shirgaokar. Mr. P. V. Shirgaokar (NED) is the father of Non-Executive Woman Director Mrs. Shilpa Kumar. Mr. Sohan S. Shirgaokar (ED) is the brother of Managing Director Mr. Chandan S. Shirgaokar.

#### C. Skill/Expertise/Competence of the Board of Directors:

The Nomination and Remuneration Committee (NRC) recommends the appointment of a person possessing requisite skill sets, to be appointed as a Director of the Company. Additionally, the NRC also recommends such appointment if the person possesses knowledge and in-depth experience of the business in which the Company operates or has experience in the areas of banking, finance, marketing, and other related aspects of the Company's business. Only those persons who possess the relevant industry skill or have specialization in a relevant area are recommended for appointment as a Director of the Company.

The Board of Directors have identified the following core skills/expertise/competencies of the Directors of the Company, as required in the context of its business and sector for it to function effectively, and the Members of the Board possess the requisite skills as mentioned below:

Skills/ expertise competence	Shishir Shirga- okar	Niraj Shirga- okar	Chandan S. Shirga- aokar	V Balasubr- amianian	M R Desai	D B Shah	Rakesh Kapoor	Hari Y Athawale	Shripad S Gangavati	Suneeta S Thakur	P V Shirga- okar	Sachin R Shirga- okar	Sohan S Shirga- okar	Shilpa Kumar
<b>1 Industry knowledge/ experience</b>														
Experiena:	√	√	√	√	√	√	√	√	√	√	√	√	√	√
Industry knowledge:	√	√	√	√	√	√	√	√	√	√	√	√	√	√
Understa- -nding of relevant laws and rules regulation and policy	√	√	√	√	√	√	√	√	√	√	√	√	√	√
<b>2 Technical skills/ experience</b>														
Account Finance and Risk Management	√	√	√	√	√		√	√	√	√	√	√	√	√
Business Develop- -ment and Business Strategy	√	√	√	√	√		√	√	√	√	√	√	√	√
<b>3. Behavioral Competencies</b>														
Interper- -sonal relations	√	√	√	√	√	√	√	√	√	√	√	√	√	√
Leadership	√	√	√	√	√	√	√	√	√	√	√	√	√	√

**D. Appointment of Directors:**

The brief particulars of the Directors of the Company retiring by rotation and proposed to be re appointed at the ensuing Annual General Meeting are as under:

- Shri. Shishir Shirgaokar, age 79 years, was appointed to the Board on 05/08/1994. He has served as an Executive Director, Managing Director, Executive Vice Chairman, and currently Chairman of the company. He is liable to retire by rotation at this AGM & being eligible offers himself for reappointment. He has vast experience in the sugar industry. He is also associated with various social and cultural organizations. He holds 3,94,255 shares of the Company as of 31.03.2024. His directorship & committee membership in other companies is given below.

Sr. No.	Directorship in other Companies	Audit Committee	Shareholders / Investor Grievances Committee
1.	BSJ ENGINEERING PRIVATE LIMITED	--	--
2.	SLK SOFTWARE PRIVATE LIMITED	--	--
3.	UGAR PIPE INDUSTRIES PVT LTD	--	--
4.	TARA TILES PVT LTD	--	--
5.	S.B. RESHELLERS PRIVATE LIMITED	--	--
6.	SYNERGY GREEN INDUSTRIES LIMITED	--	--

- Mrs. Shilpa Kumar, age 57 years, was appointed as a Non-Executive Director on the Board from 31/03/2015. She is liable to retire at the ensuing Annual General meeting. Being eligible she offered herself for appointment as a Director. She will be appointed as a Non-Executive Director, and liable to retire by rotation. Mrs. Shilpa Naval Kumar is a MBA from IIM Kolkata. She is on the Board of the Company from 2014. She has a rich experience over 27 years in the Finance and Treasury Management she has also worked in various positions in ICICI bank Ltd and has also held the position of MD and CEO of ICICI Securities Ltd. She was recognized as Asia's most influential woman in Finance and Treasury Bankers in the year 2014. She holds 1,52,600 equity shares in the Company as on 31.03.2024. Her directorship & committee membership in other companies is given below.

Sr. No.	Directorship in other Companies	Audit Committee	Shareholders / Investor Grievances Committee
1.	SEQUIRETEK IT SOLUTIONS PRIVATE LIMITED	-	-
2.	IMPACT INVESTORS COUNCIL	-	-
3.	PRIVASAPIEN TECHNOLOGIES PRIVATE LIMITED	-	-
4.	SEWA GRIH RIN LIMITED		

- Mr. Hari Y. Athawale, aged 84 Years is appointed as a Independent and Non-Executive Director on 06/11/2015. He is Masters 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, having worked 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 9,000 equity shares in the Company as on 31.03.2024. His directorship & committee membership in other companies is given below.

Sr. No.	Directorship in other Companies	Audit Committee	Shareholders / Investor Grievances Committee
—	—	—	—

#### E. Code of Conduct:

The Company has laid down a Code of Conduct for all Board Members and Senior Management Personnel of the Company. The Code of Conduct is available on the website of the Company at [www.ugarsugar.com](http://www.ugarsugar.com). Further Company has devised the Code of Conduct for the Independent Directors as prescribed in the Companies Act 2013.

- All the Independent Directors have the requisite knowledge of business, in addition to the expertise in their area of specialization. The Company has received a declaration from each of the Independent Directors of the Company confirming that he/ she meets the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013, rules framed there under and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). It is confirmed that in the opinion of the Board of Directors, the Independent Directors of the Company fulfill the conditions specified in the Listing Regulations and are independent of the management of the Company.



**III. Audit Committee:**

The Audit Committee presently comprises Five (5) Non-Executive Directors out of which Four (4) are Independent Directors. All the members of the Audit Committee possess financial management expertise and knowledge. During the year, Four (4) Audit Committee Meetings were held on 8<sup>th</sup> May 2023, 10<sup>th</sup> August 2023, 8<sup>th</sup> November 2023, and 13<sup>th</sup> February 2024.

- The composition and attendance record of Audit Committee members is given below:

Name of the Directors	Status	No. of Meetings	
		Held	Attended
1. Mr. Rakesh Kapoor	Chairmann	4	4
2. Mr. V. Balasubramanian	Member	4	4
3. Dr. M. R. Desai	Member	4	4
4. Mr. Hari Y. Athawale	Member	4	4
5. Mr. Sachin R. Shirgaokar	Member	4	4
6. Mr. Sohan S. Shirgaokar*	Member	4	3

- \* Mr. Sohan S. Shirgaokar ceases to be a member of Audit Committee from 1st January 2024, being appointed as Executive Director.

The committee comprises of majority of Independent Directors with its Chairman as an Independent Director. The Company Secretary is the Secretary of the Committee.

- The Role of the Audit Committee is as under:-

The role of the Audit Committee shall include the following:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient, and credible;
- Recommendation for appointment, remuneration, and terms of appointment of auditors of the Company;
- Approval of payment to statutory auditors for any other services rendered by them.
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - Matters required to be included in the Director's Responsibility Statement of the Board's report in terms of sub-section 5 of section 134 of the Companies Act, 2013.
  - Changes, if any, in accounting policies and practices and reasons for the same.
  - Major accounting entries involving estimates based on the exercise of judgment by management.
  - Significant adjustments made in the financial statements arising out of audit findings.
  - Compliance with listing and other legal requirements relating to financial statements.
  - Disclosure of any related party transactions.
  - Qualifications in the draft audit report.
- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;

6. Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and the effectiveness of the audit process;
8. Approval or any subsequent modification of transactions of the Company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the Company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditor's adequacy of the internal control systems;
13. Reviewing the adequacy of the internal audit function, if any, including the structure of the internal audit department, staffing, and seniority of the official heading the department, reporting structure coverage, and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up thereon;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of the audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, shareholders (in case of non- payment of declared dividends), and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e., the Whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience, and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
21. Review of Information by Audit Committee

**The Audit Committee shall mandatorily review the following information:**

- a) Management discussion and analysis of the financial condition and results of operations;
- b) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- c) Management letters/letters of internal control weaknesses issued by the statutory auditors;
- d) Internal audit reports relating to internal control weaknesses,

**WHISTLE BLOWER POLICY / VIGIL MECHANISM:**

Pursuant to the provisions of Section 177 of the Companies Act, 2013 read with Rule 7 of Companies (Meetings of Board and its Powers) Rules, 2014 and Clause 22 of the SEBI (LODR) Regulations 2015, the Company has adopted a Whistle Blower Policy / Vigil Mechanism that encourages and

supports its Directors & employees to report instances of unethical behavior, actual or suspected frauds or violation of Company's Code of Conduct. It also provides adequate safeguards against the victimization of persons who use this mechanism and direct access to the Chairman of the Audit Committee in exceptional cases. The Whistle Blower Policy/ Vigil Mechanism Policy has been posted on web site of Company on the link

[http://web.ugarsugar.com/Investor\\_Relations/Corporate\\_Announcements.asp?child=3&parent=7](http://web.ugarsugar.com/Investor_Relations/Corporate_Announcements.asp?child=3&parent=7)

#### IV. Nomination and Remuneration Committee:

- The Nomination & Remuneration Committee comprises of Three (3) directors and all Three (3) are Independent Directors.
- During the year, Three meetings of the Nomination & Remuneration Committee were held on, 8<sup>th</sup> November 2023, 18<sup>th</sup> December, 2023 and 12<sup>th</sup> February 2024.
- The composition and attendance record of the Nomination & Remuneration Committee is given below:

Name of the Directors	Status	No. of Meetings	
		Held	Attended
1. Dr. M. R. Desai,	Chairman	3	3
2. Mr. Sohan Shirgaokar*	Member	3	2
3. Mr. Hari Y Athawale	Member	3	3
4. Mr. S. S. Gangavati	Member	3	3

- \* Mr. Sohan S. Shirgaokar cease to be a member of Audit Committee from 1st January 2024, being appointed as Executive Director.

#### • Terms of Reference:

- Succession planning of the Board of Directors and Senior Management Employees;
- Identifying and selection of candidates for appointment as Directors / Independent Directors based on certain laid down criteria;
- Identifying potential individuals for appointment as Key Managerial Personnel and to other Senior Management positions;
- Formulate and review from time to time the policy for selection and appointment of Directors, Key Managerial Personnel, and Senior Management Employees and their remuneration;
- Review the performance of the Board of Directors and Senior Management Employees based on certain criteria as approved by the Board. In reviewing the overall remuneration of the Board of Directors and Senior Management Employees, the Committee ensures that the remuneration is reasonable and sufficient to attract, retain and motivate the best managerial talent, the relationship of remuneration to performance is clear and meets appropriate performance benchmarks and that the remuneration involves a balance between fixed and incentive pay reflecting short term and long term objectives of the Company.

#### Performance Evaluation:

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit committee and Nomination and Remuneration Committee.

- Remuneration is paid/ payable to Managing Directors (MDs) for the year ended 31<sup>st</sup> March 2024.

(Rs. In Lakhs)

Particulars	Salary	Commission	Perquisites	Retirement Benefits	Total
Mr. Niraj S. Shirgaokar (MD)	74.90	890.31	37.81	9.24	1012.26
Mr. Chandan S. Shirgaokar (MD)	198.80	1335.47	0.95	21.12	1556.37
Mr. Sohan S. Shirgaokar (ED)	27.90	0	0	1.50	29.40

#### V. Stakeholders' Relationship and Grievance Committee:

- The Stakeholders' Relationship and Grievance Committee comprises two Independent Directors and one Non-Executive Directors, Mr. V Balasubramanian is the Chairman of the Committee.
- During the year under review, One (1) Meeting of the Stakeholders' Relationship and Grievance Committee was held on 12<sup>th</sup> February 2024.
- Composition: The composition and attendance record of Stakeholders' Relationship and Grievance Committee members are given below:

Name of the Directors	Status	No. of Meetings	
		Held	Attended
1. Mr.V Balasubramanian	Chairman	1	1
2. Mr. D. B. Shah	Member	1	1
3. Mr. Sachin R. Shirgaokar	Member	1	1
4. Mr. Sohan S. Shirgaokar*	Member	1	0

- \* Mr. Sohan S. Shirgaokar ceases to be a member of Audit Committee from 1st January 2024, being appointed as Executive Director.

#### • Terms of Reference:

- To look into the redressal of grievances of shareholders and other security holders.
- To look into all the complaints received from the shareholders regarding the transfer and transmission of shares.
- To look into all the complaints received from the shareholders regarding non-receipt of the Balance Sheet, dividend/ interest/ payments on redemption of preference shares, debentures, bonds, or such other instruments which are redeemable.
- Company Secretary has been designated as the Compliance Officer.
- During the year only one complaint was received from investors which was replied/ resolved to the satisfaction of the investors and as on 31<sup>st</sup> March 2022, no complaints were pending.
- There are no transfers of physical shares, as SEBI has prohibited the transfer of physical shares w.e.f. from 1<sup>st</sup> April 2019 until shares are de-materialized.

#### VI. Corporate Social Responsibility (CSR) Committee:

The CSR Committee comprises Three (3) Directors out of which two (2) are Independent Directors. During the year, One (1) meeting of the CSR Committee was held on 12th February 2024.



- The Composition & attendance record of the CSR Committee is given below:

Name of the Directors	Status	No. of Meetings	
		Held	Attended
1. Dr. M. R. Desai	Chairman	1	1
2. Mr. D. B. Shah	Member	1	1
3. Mr. Sachin R. Shirgaokar	Member	1	1
4. Mr. Sohan S. Shirgaokar*	Member	1	--

- \* Mr. Sohan S. Shirgaokar cease to be a member of Audit Committee from 1st January 2024, being appointed as Executive Director.

- Terms of Reference:**

The CSR Committee is empowered to formulate and recommend to the Board, the CSR Policy which shall indicate the activities to be undertaken by the Company, its implementation, and monitoring of the CSR Policy and initiatives taken by the Company.

The CSR Policy will cover the following focus areas which the Company will undertake through its various initiatives:

- Health
- Education
- Community Development
- Natural Calamities
- Sport Development

The following parameters should be observed while considering the activities of the Company:

- Social impact
- Visibility to the Company
- Employee Engagement
- Duration of the project/ activity

## VII. Separate Meeting of Independent Directors:

During the year under review, the Independent Directors met on 12th February 2024 inter alia, to discuss:

- Evaluation of the performance of Non-Independent Directors & the Board of Directors as a whole.
- Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors.
- Evaluation of the quality content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

## VIII. Risk Management:

Business Risk Evaluation and Management is an ongoing process within the Organization. The Company has a risk management framework to identify, monitor and minimize risks as also identify business opportunities.

The Company has in place a mechanism to inform the Board Members about the Risk Assessment and Minimization procedures and periodical reviews, to ensure that risk is controlled. The company has

formed a committee named as "Risk Management Committee". The Policy on Risk Management is placed on the website of the Company.

The objectives and scope of the Risk Management Committee broadly comprises:

- Oversight of risk management performed by the executive management;
- Reviewing the Risk Management Policy and framework in line with local legal requirements and SEBI Guidelines;
- Reviewing risks and evaluate measures including initiating mitigation actions and ownership as per a pre-defined cycle;
- Defining framework for identification, assessment, monitoring and mitigation and reporting of risks.
- Within its overall scope as aforesaid, the Committee shall review risks trends, exposure, and potential impact analysis and mitigation plan.

The composition of the committee is as under-

- |                              |            |                            |          |
|------------------------------|------------|----------------------------|----------|
| 1) Dr. M R Desai             | – Chairman | 2) V Balasubramanian       | – Member |
| 3) Mr. Sachin Shirgaokar     | – Member   | 4) Mr. Niraj S. Shirgaokar | – Member |
| 5) Mr. Chandan S. Shirgaokar | – Member   | 6) Mr. Sohan S Shirgaokar  | – Member |

### Risk Management Policy

Details of the Risk Management Policy as required under the provisions of the Companies Act 2013 are placed on the Company's website [www.ugarsugar.com](http://www.ugarsugar.com).

### IX. General Body Meetings:

- Location and time for the last three Annual General Meetings(AGM):

Financial Year	AGM	Location	Date	Time
2020-21	AGM	Registered Office Sangli (through Video Conferencing (VC / OAVM)	22-09-2021	11.00 a.m.
2021-22	AGM	Registered Office Sangli (through Video Conferencing (VC/ OAVM)	15-09-2022	11:00 a.m.
2022-23	AGM	Registered Office Sangli (through Video Conferencing (VC/ OAVM)	10-08-2023	11:00 a.m.

- Special Resolutions passed at the Annual/ Extra Ordinary General Meetings/Postal Ballot in the past 3 years:
- The Special Resolutions passed during the last three years are given below.

**83<sup>rd</sup> Annual General Meeting**

All the special resolutions were passed through E-voting & Poll conducted at the 83rd AGM. The combined results of E-voting and Poll are as under:

Sr. No.	Type of Resolution	Summary of Business transacted at the Annual General Meeting	No of Shares & %age in Favour		No of Shares & % age Against	
			No of shares	% age	No of shares	% age
1	Special	Continuation of directorship of Mr. P. V. Shirgaokar (DIN NO- 00151114 ) as a non-executive director of the Company, liable to retire by rotation	41984350	92.58	3326446	7.33

The Resolution stand passed under e-voting and poll with the requisite majority

**Postal Ballot:**

- The Special Resolution passed through the Postal ballot during the year 2023-24 Dated: 26.03.2024

Sr. No.	Type of Resolution	Particulars of the Resolutions	No of Shares & %age in Favour		No of Shares & % age Against	
			No of shares	% age	No of shares	% age
1	Special	Payment of commission to Non-Executive & Independent Directors for the financial year 2022-23	4,16,27,771	99.40	251895	0.60
2	Special	Appointment of Shri. Sohan Sanjeev Shirgaokar as Executive Director in full time employment of the Company	3,90,70,223	93.90	25,38,107	6.10

**Postal Ballot:**

- The Special Resolution passed through the Postal ballot during the year 2022-23 Dated: 28-07-2022.

Sr. No.	Type of Resolution	Particulars of the Resolutions	in Favour		Against	
			No of shares	% age	No of shares	% age
1	Special	Payment of commission to Non-Executive & Independent Directors for the financial year 2021-22	38090510	99.66	128579	0.34
2	Special	Revision in the remuneration payable to Mr. Chandan S. Shirgaokar (DIN.00208200)	37819485	98.95	400004	1.05
3	Special	Reappointment of Mr. Rakesh Kapoor (DIN: 00015358) as an Independent Director of the Company.	38097477	99.68	120751	0.32

4	Special	Reappointment of Dr. M R Desai (DIN: 01625500) as an Independent Director of the Company.	37822668	98.97	392360	1.03
5	Special	Reappointment of Mr. V Balasubramanian (DIN: 00026561) as an Independent Director of the Company	37844858	99.03	370332	0.97
6	Special	Reappointment of Mr. D B Shah (DIN: 01822411) as an Independent Director of the Company	37844940	99.03	370250	0.97

All the above Resolutions have been passed with requisite majority based on the result of Postal Ballot through e-voting.

### 82<sup>nd</sup> Annual General Meeting

All the special resolutions were passed through E-voting & Poll conducted at the 82nd AGM. The combined results of E-voting and Poll are as under:

Sr. No.	Type of Resolution	Summary of Business transacted at the Annual General Meeting	No of Shares & %age in Favour		No of Shares & % age Against	
			No of shares	% age	No of shares	% age
1	Special	Reappointment of Mr. S. S. Gangavati (DIN N0-06470675) as an Independent Director of the Company	38193393	99.30	271055	0.70
2	Special	Reappointment of Ms. Suneeta Thakur (DIN N0-06864894) as an Independent Director of the Company	38464444	100	4	0.00

All the Resolutions stand passed under e-voting and poll with the requisite majority.

### 81<sup>st</sup> Annual General Meeting:

All the special resolutions were passed through E-voting & Poll conducted at the 81st AGM. The combined results of E-voting and Poll are as under

Sr. No.	Type of Resolution	Summary of Business transacted at the Annual General Meeting	No of Shares & %age in Favour		No of Shares & % age Against	
			No of shares	% age	No of shares	% age
1	Special	Continuation of directorship of Mr. Shishir. S. Shirgaokar as a non-executive director of the Company, liable to retire by rotation and to consider and if thought fit, to pass the resolution as a Special Resolution.	3,93,52,692	100.00	0	0



2	Special	Reappointment of Mr. Hari Y Athawale (DIN NO-7335718) as an Independent Director of the Company for the second term for the period of 3 (three) years and to consider and if thought fit, to pass, with or without modifications, the resolution as a Special Resolution.	3,93,52,568	100.00	119	0.00
3	Special	To approve the Reappointment and remuneration of Shri. Niraj S. Shirgaokar (DIN No. 0025425) as Managing Director, with effect from 01-04-2021 for the period of three years i.e. up to 31-03-2024 and to consider and if thought fit, to pass, with or without modifications, the resolution as a Special Resolution.	3,93,52,634	100.00	25	0.00
4	Special	To approve the Reappointment and remuneration of Shri. Chandan S. Shirgaokar (DIN No. 00208200) as Managing Director, with effect from 01-04-2021 for the period of three years i.e. up to 31-03-2024 and to consider and if thought fit, to pass, with or without modifications, the resolution as a Special Resolution:	3,93,52,573	100.00	86	0.00

All the Resolutions stand passed under e-voting and poll with the requisite majority

#### Other Disclosures:

##### A. Transactions with Non-Executive Directors of the Company during the year.

Name of the Directors	Sitting Fees Paid(Rs. in Lakh)	Commission (Rs. in Lakh)	Payment against Cane Supplied (Rs. in Lakh)	Dividend Paid (Rs. in Lakh)	Interest Paid on Fixed Deposits (Rs. in Lakh)	No. of Shares held as on 31/03/2024
1. Mr. P V Shirgaokar	1.50	-	21.60	4.12	25.56	8,23,929
2. Mr. V. Balasubramanian	2.70	-	0.00	0.06	-	11,200
3. Mr. Shishir S. Shirgaokar	1.80	-	0.00	1.97	5.44	3,94,255
4. Dr. M. R. Desai	3.45	-	0.00	0.34	-	69,608
5. Mr. D.B. Shah	2.25	-	4.08	0.15	-	30,000
6. Mr. Rakesh Kapoor	3.00	-	0.00	0.03	-	5,000
7. Mr. Sachin R. Shirgaokar	3.00	-	0.00	7.51	-	15,02,133
8. Mr. Sohan S. Shirgaokar	1.95	-	3.90	1.29	-	2,59,632
9. Mrs. Shilpa Kumar	1.80	-	0.00	0.76	-	1,52,600
10. Mr. Hari Y. Athawale	3.00	-	0.00	0.24	-	48,240
11. Ms.Suneeta S Thakur	1.65	-	0.00	0.12	-	24,000
12. Mr. Shripad S Gangavati	2.40	-	0.00	0.03	-	5800

The Company did not pay any Consultancy Charges to any of the Non-Executive Directors of the Company.

#### **Disclosure of Related Party Transactions:**

**Note:** - The transactions executed with the Non-Executive Directors as well as the Related Parties referred to above are not material transactions and do not conflict with the interest of the Company.

#### **A. Other Compliance.**

- All the mandatory requirements of Chapter IV read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 have been complied with.
- The Compliance Reports of all laws applicable to the Company are periodically reviewed by the Board. Further, the entire quarterly/half yearly/yearly results, compliance reports, and returns are filed with Stock Exchanges within the prescribed time.
- The Securities of companies are listed on BSE & NSE. The company confirms that it has paid the annual listing fees for the years 2022-23 & 2023-24.

#### **B. Disclosure of Related Party Transactions:**

- All related party transactions have been entered into in the ordinary course of business and were placed periodically before the Audit Committee and the Board. All transactions with the related parties are at an arm's length basis and in the ordinary course of business. All the transactions with the related parties are not material in nature. The policy on related party transactions is placed on the website of the Company which can be viewed through

[http://web.ugarsugar.com/Investor\\_Relations/Corporate\\_Announcements.asp?child=3&parent=7](http://web.ugarsugar.com/Investor_Relations/Corporate_Announcements.asp?child=3&parent=7)

#### **C. Disclosure of Accounting Treatment:**

All Accounting Standards mandatorily required have been followed in the preparation of financial statements and no deviation has been made in following the same.

#### **D. Subsidiary Companies:**

Ugar Theatre Private Limited was incorporated on 29-11-1977, with the intention to exhibit films for the people of Ugar. With increased media facilities, the film exhibition had become unremunerative, hence the activity of film exhibition was stopped w.e.f. 30th January 2004 and the machinery was sold. The Company is presently engaged in providing warehousing facilities to others. It has become a subsidiary of our company during the year 2019. It is a non-remunerative subsidiary. Ugar Theaters Private Limited a wholly owned subsidiary of the Ugar Sugar Works Ltd., is merged as per the scheme approved by National Company Law Tribunal (NCLT) Mumbai vide its order dated October, 20 2023 and was filed with Registrar of Companies ("RoC") in accordance with the relevant sections of the Companies Act 2013 and rules thereunder.

Pursuant to this order consolidated financial need not be prepared. Previous year figures include figures of the merged entity.

USW Spirits Private Limited has been incorporated on 17<sup>th</sup> February 2021. The Company has not commenced any business within one year of its incorporation. Also, as there are no future plan of

the management to carry out the business activity in the Company. Hence, under section 248 (2) of the Companies Act 2013 an application was made to Registrar of Companies, Pune to close down the Company. The ROC has approved the strike off (STK-2) Application Dated 30-Oct-2022 on 13 Jun 2023.

#### **E. Associate Companies:**

There are no Associate Companies during the year 2023-24.

#### **F. PREVENTION, PROHIBITION & REDRESSAL OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE:**

The Company has in place a policy on prevention, prohibition & redressal of sexual harassment of women at the workplace and an Internal Complaints Committee has been constituted. No complaints are received during the year.

#### **X. Means of Communication:**

The company is publishing quarterly un-audited financial results notices and advertisements in the Economic Times/ Indian Express and/or Business line in English, Kesari /Tarun Bharat in Marathi, regularly. Additionally, the results and other important information are also periodically updated on the Company's Website, viz. www.ugarsugar.com

The company has not issued any news releases nor given any presentations to institutional investors or analysts.

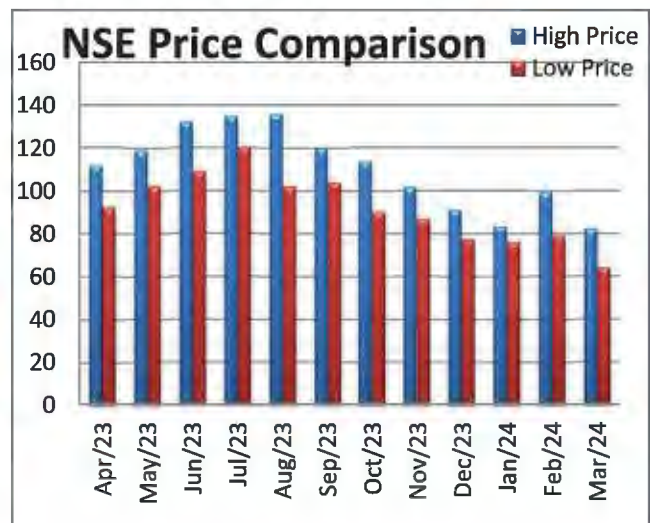
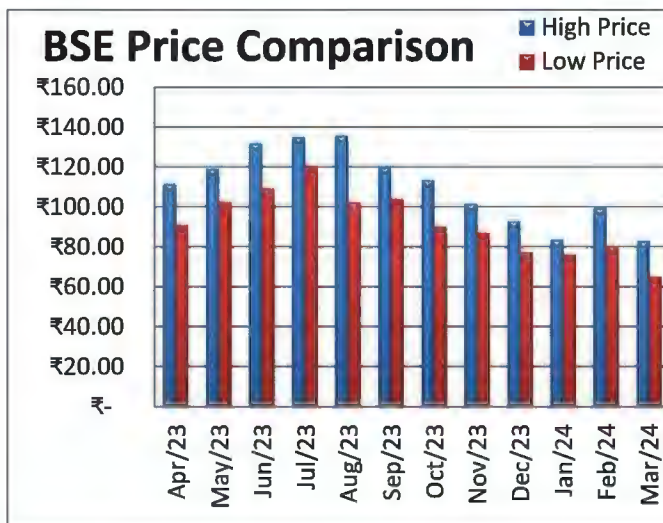
#### **XI. General Shareholders Information.**

i. AGM Date, Time, and Venue	13 <sup>th</sup> August 2024 11 am at Registered Office
ii. Financial Calendar 2023-24	Probable Dates:
First quarterly un-audited results	Before 15 <sup>th</sup> of August 2024
Second quarterly un-audited results	Before 15 <sup>th</sup> of November 2024
Third quarterly un-audited results	Before 15 <sup>th</sup> February 2025
Fourth & Final quarterly audited results	Before the end of May 2025
iii. Book Closure Date	27 <sup>th</sup> July 2024 to 13 <sup>th</sup> August 2024
iv. Dividend payment date	On or Before 12 <sup>th</sup> September 2024
v. Listing on Stock Exchange.	Bombay Stock Exchange Ltd. (BSE), National Stock Exchange of India Ltd. (NSE)
vi. Stock Code:	BSE-530363, NSE- UGARSUGAR-EQ
Dematerialization ISIN No.	INE-071EO1023.
vii. Payment of Listing Fees	The annual listing fee for the year 2023-24 has been paid by the Company to BSE and NSE.
viii. Payment of Depository Fees	Annual Custody / Issuer fee for the year 2023-24. has been paid by the Company to NSDL and CDSL

**ix. Market Price Data High/ Low during each month of Financial Year 2023-24 at BSE &NSE**

NSE			BSE		
Months	High (Rs.)	Low (Rs.)	Months	High (Rs.)	Low (Rs.)
Apr-23	111.80	92.55	Apr-23	111.56	90.85
May-23	119.00	102.25	May-23	119.00	102.45
Jun-23	132.00	109.00	Jun-23	131.80	109.10
Jul-23	134.90	120.35	Jul-23	134.90	120.10
Aug-23	135.90	102.20	Aug-23	135.65	102.25
Sep-23	120.20	103.95	Sep-23	120.00	103.85
Oct-23	113.70	90.10	Oct-23	113.45	90.10
Nov-23	101.90	86.90	Nov-23	101.59	87.00
Dec-23	91.20	77.55	Dec-23	92.80	77.20
Jan-24	83.45	76.00	Jan-24	83.49	76.00
Feb-24	99.40	79.15	Feb-24	99.33	79.20
Mar-24	82.25	64.05	Mar-24	82.94	64.72

Although the company is listed, our scripts are not included in the index hence there cannot be a comparison of Performance on broad-based indices such as BSE Sensex, CRISIL index, etc.



**x. Share Transfer System:**

With effect from 5<sup>th</sup> December 2018, no physical shares are transferred. The only transmission of shares is registered and returned within a period of 15 days from the date of receipt if the documents are clear in all respect through Company's Registrar & Transfer Agent M/s. Bigshare Services Pvt. Ltd. Mumbai, the transmission of Shares is approved by the Share Transfer Committee consisting of the Managing Director and Company Secretary, fortnightly based upon the number of transmission applications received from Registrar & Share Transfers Agents.



No. of equity shares held	No. of Folios / Shareholders	No. of Shares held	% of Share holding
Upto 5,000	65847	29138457	25.90
5,001 to 10,000	1322	9729135	8.65
10,001 to 20,000	492	6801279	6.05
20,001 to 30,000	108	2718820	2.42
30,001 to 40,000	44	1524322	1.36
40,001 to 50,000	23	1059939	0.94
50,001 to 1,00,000	49	3440736	3.06
More than 1,00,000	67	58087312	51.62
<b>Total</b>	<b>67952</b>	<b>112500000</b>	<b>100.00</b>

**xi. Shareholding Patten as on 31<sup>st</sup> March, 2024.**

Category	No. of Share held	% of Shareholding
Promoters	50008259	44.45
Banks, Financial Institutions, Insurance Companies,	0	0
Foreign Financial Institutions	2311710	2.05
IEPF	719753	0.64
KMP	1434	0.00
Private Corporate Bodies	4505980	4.01
Indian Public	52578167	46.74
N. R. I.	1012439	0.90
Trust, Clearing Member, HUF	1362258	1.21
G.D. R. I A. D.R.	0	0
<b>Total</b>	<b>11,25,00,000</b>	<b>100</b>

**xii. Other Information:**

Dematerialization of shares	Nearly 86.82% of total equity share capital (9,76,74,135 eq. shares) is held in dematerialized form with NSDL and CDSL as on 31 <sup>st</sup> March 2024.
Registrar and Share Transfer Agent:	Bigshare Services Pvt. Limited. Office No S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai - 400093 Board No : 022 - 62638200
Plant Locations: Sugar, Distillery, Co-Generation Jewargi Unit -Sugar & Co-generation:	UgarKhurd - 591 316. Tal. Athani Dist. Belgaum, Karnataka. Malli, Taluka - Jewargi, Dist- Kalaburgi, Karnataka.
Address for correspondence Registered Office:	The Ugar Sugar Works Limited. Mahaveernagar (Wakharbhag), Sangli 416416, Maharashtra State. Ph. No. 0233-2623717 Fax: 2623617 Email: usw.sangli@ugarsugar.com
Factory (Administrative Office)	The Ugar Sugar Works Limited. Ugarkhurd - 591 316. Tal. Athani, Dist. Belgaum, Karnataka State. Ph. No. 08339-274000 Fax: 272232 Email: helpdesk@ugarsugar.com Company Website: www.ugarsugar.com
Credit Rating	We have obtained a credit rating from CARE. Our current Credit rating is CARE BBB- (Stable)

**xiv. Other Information:****a) Compliance with Mandatory Requirements:**

The Company complies with all requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

**b) Details of non-compliance by the Company, penalties, and strictures imposed on the Company by the Stock Exchange or SEBI, or any statutory authority, on any matter related to capital markets, during the last three years:**

The BSE & NSE has levied Fines as per SEBI circular no. SEBI/ HO/ CFD/ PoD2/ CIR/ P/ 2023/120 dated July 11, 2023 (Chapter-VII(A)-Penal Action for Non-Compliance) for Consolidated Result Not Submitted for period ended December 2023. Company had submitted Consolidated Result for period ended September 2023. (Only Standalone Result Received for Quarter Ended - December 2023) amounting Rs. 1,77,000/-

In this regards, the Company informed the stock exchange that, as on 31<sup>st</sup> of December 2023, we don't have any subsidiary company. Therefore, the consolidated financial results were not prepared according to NCLT order.

Further, we have applied for a waiver of the penalty levied upon us and the matter is under consideration.

Further, the Company has complied with all other requirements specified under the Listing Regulations as well as other regulations and guidelines of SEBI. Consequently, apart from the above, there were no strictures or penalties imposed by either SEBI, Stock Exchange or any statutory authority, on any matter related to capital markets, during the last three years.

**c) web link where policy for determining 'material' subsidiaries is disclosed:**

[http://web.ugarsugar.com/Investor\\_Relations/Corporate\\_Governance/PolicyMaterialSubsidiary.pdf?child=14&parent=9](http://web.ugarsugar.com/Investor_Relations/Corporate_Governance/PolicyMaterialSubsidiary.pdf?child=14&parent=9)

**d) Disclosure of commodity price risks and commodity hedging activities.**

The Company does not have any exposure to commodity risk except to the extent of its own production of sugar, the main product of manufacture of the Company. The prices of the products of the Company are market-driven and are fixed based on the prevailing market price.

In respect of foreign exchange commitments the Company's operations are mainly in India and foreign exchange exposure is not substantial. Hence, no hedging has been made.

**e) Details of the utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).**

During the year the Company has not raised the funds through preferential allotment or qualified institutions placement.

**f) a certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.**

The certificate of Practising Company Secretary is annexed herewith as part of this Report.

**g) Where the Board had not accepted any recommendation of any committee of the Board which is mandatorily required in the relevant Financial Year: Not Applicable.****h) total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/ network entity of which the statutory auditor is a part.**

Total fees paid to the Statutory Auditors and an entity in their network firm for all services received by the Company during the financial year 2023-24 is Rs.19.81 lakh and the statutory auditors of the Company do not have any network arrangement.

**i) Non-Compliance of Any Requirement of Corporate Governance Report -NIL****j) outstanding global depository receipts or American depository receipts or warrants or any convertible instruments, conversion date, and likely impact on equity - NIL**



**k) the discretionary requirements as specified in Part E of Schedule II of Regulation 27(1): NIL**

**l) Adoption of the discretionary requirements as specified in Part E of Schedule II of Regulation 27(1), is being reviewed by the Board from time to time. The status is as under:**

**I. The Board**

The Company has a non-executive chairperson. The Company allowed reimbursement of expenses incurred in the performance of his duties.

**II. Shareholder Rights**

The quarterly/half-yearly results are published in the newspapers and hosted on the Company's website www.ugaesugar.com and are filed to the Stock Exchanges electronically through NEAPS portal on NSE and BSE listing Centre with BSE Limited. The same are not sent to shareholders individually.

**III. Modified opinion(s) in the audit report**

The Company strives toward ensuring unqualified financial statements. There are no qualifications to the Auditor's Report for the year under review.

**IV. Separate posts of chairperson and chief executive officer /Managing Director:**

The Company has different persons for the post of Chairman and Managing Director

**V. Reporting of internal auditor**

The Internal Auditors of the Company report directly to the Audit Committee.

**m) The disclosures of the compliance with corporate governance requirements specified in Regulation 17 to regulation 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 :**

The Company has complied with all the mandatory corporate governance requirements under the Listing Regulations. The Company confirms compliance with corporate governance requirements specified in Regulations 17 to 27 and Sub regulation (2) of Regulation 46 of the Listing Regulations.

**n) Disclosures with respect to demat suspense account/ unclaimed suspense account to IEPF:**

1) the aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	No of Shareholder: 1235 No of outstanding Shares: 7,19,753 Equity Shares
2) number of shareholders who approached the listed entity for the transfer of shares from the suspense account during the year	Nil
3) number of shareholders to whom shares were transferred from suspense account during the year	Nil
4) the aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	No of Shareholder: 1235 No of outstanding Shares: 7,19,753 Equity Shares
5) that the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares	We confirm that voting rights on these outstanding shares have been frozen

As per our separate report attached.

**Niraj S. Shirgaokar**  
Managing Director  
(DIN: :00254525)

**Chandan S. Shirgaokar**  
Managing Director  
(DIN: 00208200)

Place : Sangli

Date : 28-05-2024

**Shrikanta V. Bhat**  
Manager-Finance  
(ACA- 222060)

**CEO/ CFO Certificate:**

To the Board of Directors of The Ugar Sugar Works Ltd.,

We, Mr. Niraj S. Shirgaokar and Mr. Chandan S. Shirgaokar, Managing Directors and S. V. Bhat, Manager Finance (CFO) of The Ugar Sugar Works Ltd. (As required under Regulation 17(8) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015), to the best of our knowledge and belief, hereby certify that:

- (A) We have reviewed the Financial Statements and the Cash flow Statements for the year and that to the best of our knowledge and belief;
- i) These statements do not contain any materially untrue statement or omit any material fact or contain any statement that maybe misleading,
- ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (B) There are to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's Code of Conduct.
- (C) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or proposed to take to rectify these deficiencies.
- (D) We have indicated to the auditors and the Audit Committee:
1. Significant changes in internal control over financial reporting during the year;
  2. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  3. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**Niraj S. Shirgaokar**  
Managing Director  
(DIN: 00254525)

**Chandan S. Shirgaokar**  
Managing Director  
(DIN: 00208200)

**Shrikanta V. Bhat**  
Manager-Finance  
(ACA-222060)

Place : Sangli  
Date : 28-05-2024



## DECLARATION ON COMPLIANCE OF THE COMPANY'S CODE OF CONDUCT

The Ugar Sugar Works Limited,

The Company has framed a specific Code of Conduct for the members of the Board of Directors and the Senior Management Personnel of the Company pursuant in Regulation and 34(3) of Security Exchange Board Of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 to further strengthen Corporate Governance practice in the Company.

All the members of the Board and Senior Management Personnel of the Company have affirmed due observance of the said Code of Conduct in so far as it is applicable to them and there is no non-compliance thereof during the year ended 31st March 2023.

**Niraj S. Shirgaokar**  
Managing Director  
(DIN: 00254525)

**Chandan S. Shirgaokar**  
Managing Director  
(DIN: 00208200)

Place : Sangli  
Date : 28-05-2024

## CERTIFICATE FROM COMPANY SECRETARY IN PRACTICE

**(In Terms of Regulation 34(3) read with Schedule V Para C(10)(i) to the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015**

The Members,  
The Ugar Sugar Works Limited, Mahaveer Nagar,  
Sangli 416416.

I hereby certify that, none of the directors on the Board of The Ugar Sugar Works Limited ("The Company") as on 31<sup>st</sup> March 2023, have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India or the Ministry Of Corporate Affairs, Government Of India (MCA).

We are issuing a certificate based on the following, which to the best of our knowledge and belief were considered necessary in this regard:

1. Our verification of the information relating to the directors available in the official web sites of MCA;
2. Our verification of the disclosures/ declaration / confirmations provided by the directors to the Company; and
3. Information, explanation and representation provided by the Company, its directors/ officers.

This certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness of the corporate governance processes followed by the Company.

Place : Sangli  
Date : 28-05-2024

**Abhay R. Gulavani**  
Practicing Company Secretary  
FCS: 10668F000448369  
UDIN:F010668E000266825  
Peer Review Cert No.1841/2022

## **CERTIFICATE FROM AUDITORS REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE**

The Members,  
The Ugar Sugar Works Limited,  
Mahaveernagar (Wakharbhag),  
Sangli(MH)-416416

1. We have examined the compliance of conditions of corporate governance by The Ugar Sugar Works Limited ("the Company") for the year ended March 31, 2023 as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations").
2. The compliance of conditions of Corporate Governance is the responsibility of the Management of the company. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations.
3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
5. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
7. Based on our examination of the relevant records and according to the best of our information and explanations provided to us, we certify that the Company has complied with the conditions of regulations of Corporate Governance as stipulated in the above-mentioned Listing Regulations during the year ended March 31, 2023.
8. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.
9. The certificate is issued solely for the purpose of complying with the aforesaid SEBI Listing Regulations and may not be suitable for any other purpose.

**For Kirtane & Pandit LLP**  
Chartered Accountants

**Parag Pansare**  
Partner

Membership No. 117309  
Ugar Khurd, May 28, 2024  
UDIN: 24117309BKCBDY6293

Place : Sangli  
Date : 28-05-2024

## INDEPENDENT AUDITORS' REPORT

**To**  
**The Members of**  
**The Ugar Sugar works Limited**  
**Report on the Audit of the Financial Statements**

### Opinion

We have audited the accompanying financial statements of The Ugar Sugar Works Ltd. ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the material accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, the Profit and total comprehensive Income, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements of the current period. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters. For each matter below, our description of how our Audit addressed the matter is provided in that context. We have determined the matters described below to be the key audit matters to be communicated in our report.



Sr. No.	Key Audit Matter	How the matter was addressed in the audit
1.	<p><b>Contingent Liability</b></p> <p>The Company is involved in direct and indirect tax litigations of Rs. 708.85 Lakhs. The Company has also provided corporate guarantee of Rs. 5,000 Lakhs to the Bankers for Harvesting and Transportation Loan.</p> <p>Whether the liability is recognized or disclosed as a contingent liability is inherently judgmental and dependent on assumptions and assessment. We placed specific focus on the judgements in respect to these demands against the Company. Determining the amount, if any, to be recognized or disclosed in the financial statements, is inherently subjective. Therefore, it is considered to be a key audit matter.</p> <p>(Refer Note D (1) to Financial Statements)</p> <p><b>Valuation of Sugar Inventory</b></p> <p>Manufacturing of Sugar is complex process which leads to generation of certain joint products and by products which are used for generation of other products, sold in the market as well as used as input in the manufacturing of Sugar. The valuation requires use of management's judgements and assumptions regarding elimination of inter-divisional profits, allocation of costs of production between joint products based on their relative sales value and net realisable value (NRV) of different products which is further dependent upon the market conditions, minimum selling prices, subsequent inventory sale data, current sale prices, notifications/press releases from the government authorities, technical estimates of expected recovery of final products being produced and incremental cost of products manufactured using joint products. These assumptions are subject to inherent uncertainties since they are likely to be influenced by nature and economic factors including uncertainties that may affect the industry on the whole</p>	<p>Our procedures included, but were not limited to, the following:</p> <ul style="list-style-type: none"> <li>Obtained an understanding from the management with respect to process and controls followed by the Company for identification and monitoring of significant developments in relation to the litigations, including completeness thereof.</li> <li>Obtained the list of litigations from the management and reviewed their assessment of the likelihood of outflow of economic resources being probable, possible or remote in respect of the litigations.</li> <li>Assessed management's discussions held with their legal consultants and understanding precedents in similar cases.</li> <li>We verified the appropriateness of the accounting policies, disclosures related to provisions for sub judice matters and details of contingent liabilities in notes D(1) (b), (c) and (d) respectively in the financial statements</li> </ul> <p>We applied the following audit procedures in this area, among others, to obtain sufficient appropriate audit evidence:</p> <ul style="list-style-type: none"> <li>Evaluated the accounting policy of sugar inventory in terms of relevant accounting standard;</li> <li>Tested the design, implementation and operating effectiveness of the Company's key controls over computation of cost of sugar inventory for each sugar mill;</li> <li>Assessed the appropriateness of the principles used in the valuation of Inventory and analysed the reasonableness of significant judgements/assumptions used by the management in their valuation models along with their consistency based on historical/industrial data trends such as sugar recovery rates, generation of Molasses and Bagasse.</li> <li>Tested the cost sheet data of both Sugar Plant. We assessed the adequacy of the method used, relevance and reliability of data and the formula applied for determining the cost of sugar inventory. This included the basis of allocation of cost to by-products based on Net Realizable Value (NRV). In addition, we assessed the impact of notifications/orders of the regulators on cost of sugar inventory. For cost of conversion, we assessed the impact of variability in seasonal factors including number of</li> </ul>



Sr. No.	Key Audit Matter	How the matter was addressed in the audit
	Owing to the significance of the carrying value of Sugar inventories (Rs. 33,028.68 Lakhs), the complexities discussed above and the fact that any changes in the management's judgement or assumptions is likely to have a significant impact on the ascertainment of carrying values of inventories, we have considered this area as a key audit matter.	Sugarcane crushing days and recovery of sugar from cane. <ul style="list-style-type: none"> <li>• Attended the Physical Inventory verification for the year ended 31<sup>st</sup> March 2024 and performed test counts at Sugar Plants.</li> </ul>

### Emphasis of Matter

We draw attention in respect to the scheme of merger of Ugar Theaters Private Limited a wholly owned subsidiary of the Ugar Sugar Works Limited, as stated in note 28 to the financial statements. The scheme was approved by National Company Law Tribunal (NCLT) vide its order dated October, 20 2023 and was filed with Registrar of Companies ("RoC"). The effect of the order has been given effect to in the financial statements. Our conclusion is not modified in respect of this matter.

### Information Other than the financial statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Business Responsibility Report, but does not include the financial statements and our auditor's report thereon.

Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's Information is expected to be made available to us after the date of this auditor's report, hence our opinion is based on Financial Statements only.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. When we read Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Business Responsibility Report, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance.

### Management's Responsibility for the financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the

provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and(ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except for the matters stated in the paragraph g(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e) On the basis of the written representations received from the directors for the year ended March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given tous:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note D-1 to the financial statements
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company
  - iv. With respect to clause (e) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended
    - a. The management has represented that, to the best of it's knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
    - b. Management has represented, that, to the best of it's knowledge and belief, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
    - c. Based on such audit procedures that we have considered reasonable and appropriate in the circumstances; nothing has come to their notice that has caused us believe that the representations under sub-clause (a) and (b) contain any material mis-statement.
  - v. The final dividend paid by the Company during the year in respect for the previous year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to payment of dividend.

As stated in note 29 to the financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.
  - vi. Based on our examination, the company, has used accounting software (SAP) for maintaining its books of account which has a feature of recording audit trail (edit log) facility, however the same has not been enabled for the entire reporting period.



2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.
3. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

For **Kirtane & Pandit LLP**  
Chartered Accountants  
Firm Registration No.105215W/W100057

**Parag Pansare**  
Partner  
Membership No.: 117309  
UDIN: 24117309BKCBE02117

Place : Pune  
Date : 28-05-2024

## **ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT**

**(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of THE UGAR SUGAR WORKS LIMITED of even date)**

**Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub- section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls with reference to financial statements of The Ugar Sugar Works Ltd (“the Company”) as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### **Management’s Responsibility for Internal Financial Controls with reference to financial statements.**

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company.

**Meaning of Internal Financial Controls with reference to financial statements.**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls with reference to Financial Statement**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion the company has, in all material aspects, an adequate financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively for the year ended March 31 2024 except that there is scope for improvement in certain areas which require strengthening of controls established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. We have considered these weaknesses identified in determining the nature, timing and extent of audit tests applied in our audit of the Financial Statements of the Company for the year ended March 31, 2024, and these weaknesses do not affect our opinion on the Financial Statements of the company.

**For Kirtane & Pandit LLP**  
Chartered Accountants  
Firm Registration No.105215W/W100057

**Parag Pansare**  
Partner  
Membership No.: 117309  
UDIN:24117309BKCBE02117

Place : Pune  
Date : 28-05-2024

## ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

**(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of The Ugar Sugar Works Limited of even date)**

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- i. (a) In Respect of records of property, plant and equipment and intangible assets
    - A The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
    - B The Company has maintained proper records showing full particulars of intangible Assets.
  - (b) (b) According to the information and explanations given to us, Property, plant and equipment were physically verified by the Management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of physical verification of Property, plant and equipment is reasonable.
  - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties as reported in note 1 of financial statements are held in the name of the Company.
  - (d) (a) In our opinion and according to the information and explanations given to us, The Company has not revalued its property plant and Equipment during the year. Accordingly, Clause 3(i)(d) of the Order is not applicable.
  - (e) (b) According to the information and explanations given to us by Management, No proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, Clause 3(i)(e) of the Order is not applicable.
- ii. (a) As informed to us, the physical verification of inventory has been conducted by the management at reasonable intervals. In our opinion the coverage and procedure of such verification by the management is appropriate and the no discrepancies of 10% or more in the aggregate for each class of inventory were noticed on such verification.
  - (b) As informed to us during the year, the company has been sanctioned working capital limits in excess of five crore rupees, from banks on the basis of security of current assets; the quarterly statements filed by the company with such banks are in agreement with the books of account of the Company.
- iii. i. Company has not provided any guarantee or security or granted any loans other than loans and advances to employees as per Company's policy or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, paragraph 3(iii)(a), 3(iii)(c), 3(iii)(d), 3(iii)(e), 3(iii)(f) of the Order is not applicable.



With respect to reporting under 3(iii)(b) in respect of advances given to employees as per company's policy does not prima facie appears to prejudicial to the company's interest of the Company. Also, the Company has provided a Corporate Guarantee for Harvesting and Transporting Loan taken by various farmers amounting to Rs. 50 Cr whose balance outstanding as on 31st March 2024 is Rs.51.76 Cr including interest there on, Further as informed to us the Company has not provided any security in connection with the loan during the year. Accordingly, reporting with respect to Loans, Guarantees, securities in connection with the loan 3(iii)(b) of the Order is not applicable

- iv. In our opinion and according to information and explanations given to us, the Company has complied with the provisions of section 186 of the Companies Act, 2013 in respect of investments and loans and advances given to employees as per Company's policy. Further the Company has not given any guarantee or security in connection with a loan to any other body corporate or person. Further company has not given any loan to directors as per section 185 of the act.
- v. In our opinion and according to the information and explanations given to us, in respect of deposits or amounts which are deemed to be deposits, the company has complied with the directives of the Reserve Bank of India and the provision of Sections 73 to 76 of the Companies Act 2013, and the rules framed there under, wherever applicable. As informed to us, no order has been passed against the Company, by the Company Law Board, the National Company Law Tribunal, RBI, or any court or any tribunal.
- vi. The Central Government has specified maintenance of cost records under Sub-Section (1) of Section 148 of the Act and we are of the opinion that prima facie such records are made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. According to the information and explanations given to us, in respect of statutory dues:
  - (a) The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities. There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.

(B) Details of disputed amounts of statutory dues referred to in sub-clause (a) which have not been deposited as at March 31, 2024 on account of dispute are given below:

No.	Name of the Statute	Nature of the Dues	Amount Under Dispute (in Lakhs)	Period(s) to which the amount relate	Forum where such dispute is pending
1	Central Excise Act 1944	Cenvat Credit Demand Issues	14.61	2006-07	CESTAT, Bangalore
2	Central Excise Act 1944	Cenvat Credit Demand Issues	45.84	2007-08	CESTAT, Bangalore
3	Central Excise Act 1944	Cenvat Credit Demand Issues	15.36	2008-09	CESTAT, Bangalore
4	Central Excise Act 1944	Cenvat Credit Demand Issues	3.03	2010-11	CESTAT, Bangalore
5	Central Excise Act 1944	Reversal on Rectified Spirit Sold or transferred to IML	151.34	2008-13	CESTAT, Bangalore
6	Central Excise Act 1944	Cenvat Credit Demand Issues	26.65	2012-13	Commissioner of Central Excise, (GST) Belagavi
7	Central Excise Act 1944	Cenvat Credit Demand Issues	0.30	2014-15	Commissioner of Central Excise, (GST) Belagavi
8	Central Excise Act 1944	Cenvat Credit Demand Issues	14.08	2016-17	Commissioner of Central Excise, (GST) Belagavi
9	Central Excise Act 1944	Cenvat Credit Demand Issues	1.30	2015	Commissioner of Central Excise, (GST) Belagavi
10	Central Excise Act 1944	Cenvat Credit Demand Issues	61.55	2017-18	CESTAT, Bangalore
11	Central Excise Act 1944	Cenvat Credit Demand Issues	61.20	2017-18	CESTAT, Bangalore
12	Central Excise Act 1944	Cenvat Credit Demand Issues	91.47	Feb 2008 to Dec 2009	CESTAT, Bangalore
13	Central Excise Act 1944	Cenvat Credit Demand Issues	17.56	2017-18	Commissioner of Central Excise, (GST) Belagavi
14	Central Excise Act 1944	Cenvat Credit Demand Issues	2.50	2010-11	Commissioner of Central Excise, (GST) Belagavi
15	Income Tax Act 1961	Dispute of Tax u/s 115JB	189.53	AY 2012-13	Income Tax Appellate Authority Pune
16	Income Tax Act 1961	Dispute of Tax u/s 115JB	9.27	AY 2014-15	Income Tax Appellate Authority Pune
17	Income Tax Act 1961	Dispute of Tax u/s 115JB	0.79	AY 2016-17	CIT (A), Kolhapur
18	Central Excise Act 1944	Cenvat Credit Demand Issues	2.47	Oct 2014 to Aug 2015	Commissioner of Central Excise, (GST) Belagavi

amounts are as per demand orders including penalty wherever quantified in the Order.

- viii. In our opinion and according to the information and explanations given to us, there are no transactions which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Accordingly reporting under paragraph 3(viii)(a) of the Order is not applicable to the Company.
- ix. (a) In our opinion and according to the information and explanations given to us by the Management, Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender
- (b) In our opinion and according to the information and explanations given to us by the Management, Company is not declared as willful defaulter by bank or financial institution or other lender
- (c) In our opinion and according to the information and explanations given to us by the Management, term loans were applied for the purpose for which the loans were obtained
- (d) In our opinion and according to the information and explanations given to us by the Management, funds raised on short term basis have not been utilized for long term purposes
- (e) In our opinion and according to the information and explanations given to us by the Management, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates, or joint ventures.
- (f) In our opinion and according to the information and explanations given to us by the Management, the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- x. (a) (a) In our opinion and according to the information and explanations given to us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly reporting under paragraph 3(ix)(a) of the Order is not applicable to the Company.
- (b) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures. Accordingly reporting under paragraph 3(x)(b) of the Order is not applicable to the Company.
- xi. (a) (b) As per information and explanations given to us, no fraud by the Company or on the Company been noticed or reported during the year nor have we been informed of any such case by the Management. Accordingly reporting under paragraph 3(xi)(a) of the Order is not applicable to the Company.
- (b) (c) As per information and explanations given to us, No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government
- (c) As represented to us by the management, there are no whistle blower complaints received by the company during the year
- xii. In our opinion and according to the information and explanations given to us, The Company is not a Nidhi Company and hence reporting under paragraph 3 (xii) of the Order is not applicable to the Company.

- xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion and based on our examination, the company has an internal audit system commensurate with the size and nature of its business. However, there is a scope for improvement in area coverage.
- (b) We have considered the internal audit reports of the company issued till date, for the period under audit.
- xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. (a) According to the information and explanations given to us, and based on our examination of the records of the Company, company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
- (b) According to the information and explanations given to us, company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR)
- (c) According to the information and explanations given to us, the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
- (d) In our opinion, and according to the information and explanation given to us, in the group no companies forming part of the promoter/promoter group of the Company which are CICs
- xvii. According to the information and explanations given to us, company has not incurred cash losses in the current financial year and in the immediately preceding financial year accordingly, reporting under paragraph 3(xviii) of the Order is not applicable.
- xviii. There is no resignation of the statutory auditors during the year. Accordingly, reporting under paragraph 3(xviii) of the Order is not applicable.
- xix. In our opinion and according to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, and our knowledge of the Board of Directors and management plans we are opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- xx. (a) There is no unspent amount which was required to be transferred to a Fund specified in Schedule VII Companies Act in compliance with second proviso to sub-section (5) of section 135 of the Companies act, accordingly reporting under paragraph 3(xx)(a) of the Order is not applicable to the Company.



(b) There is no unspent amount under sub-section (5) of section 135 of Companies Act pursuant to any ongoing project which was required to be transferred to special account in compliance with sub-section (6) of section 135 of the Companies Act, accordingly reporting under paragraph 3(xx)(b) of the Order is not applicable to the Company.

xxi. In our opinion and according to the information and explanations given to us, the Company does not have any subsidiaries, associates and joint ventures during the year. Hence, the Company is not required to prepare Consolidated Financial Statements. Accordingly reporting under paragraph 3(xxi) of the Order is not applicable.

For **Kirtane & Pandit LLP**  
Chartered Accountants  
Firm Registration No.105215W/W100057

**Parag Pansare**  
Partner  
Membership No.: 117309  
UDIN:24117309BKCBE02117

Place : Pune  
Date : 28-05-2024

**Balance Sheet as at 31<sup>st</sup> March, 2024**

(Amount in Rs. Lakhs)

Particulars	Ref. to Notes	As At 31 <sup>st</sup> March 2024	As At 31 <sup>st</sup> March 2023
<b>ASSETS</b>			
Non-current Assets			
Tangible Assets			
Property, plant and equipment	1A	25,365.01	22,356.39
Capital work in progress	1A	7,928.47	3,785.97
Investment property	1B	6.33	6.70
Intangible Assets			
Other Intangible assets	2	7.64	9.10
Financial assets			
Non - Current Investments	3A	353.57	358.57
Other non-current assets	6	1,877.94	1,670.12
Current Assets			
Inventories	7	48,506.78	36,530.42
Financial Assets			
Trade receivables	8	14,209.78	18,730.41
Cash and cash equivalents	9A	93.84	576.05
Bank balances other than above	9B	3,968.06	1,260.95
Other current financial assets	5	330.02	166.29
Other current assets	11	5,877.63	6,186.97
<b>Total</b>		<b>1,08,525.07</b>	<b>91,637.94</b>

**EQUITY AND LIABILITIES**

Equity			
Equity Share Capital	12	1,125.00	1,125.00
Other Equity			
Share Premium	13A	1,575.00	1,575.00
Retained Earnings	13A	18,652.62	17,100.87
Other Reserves	13A	2,392.67	2,391.60
Other Comprehensive Income	13B	(248.48)	(109.03)
Non-current Liabilities			
Financial Liabilities			
Long Term Borrowings	14A	8,364.58	14,004.32
Long Term Provisions	15A	343.88	385.70
Deferred tax liabilities (Net)	16B	1,070.92	1,046.99

**Balance Sheet as at 31<sup>st</sup> March, 2024**

(Amount in Rs. Lakhs)

Particulars	Ref. to Notes	As At 31 <sup>st</sup> March 2024	As At 31 <sup>st</sup> March 2023
<b>EQUITY AND LIABILITIES</b>			
Current Liabilities			
Financial Liabilities			
Short Term Borrowings	14B	43,019.25	20,714.03
Trade payables	17A		
Total outstanding dues of micro enterprises and small enterprises		40.25	575.79
Total outstanding dues other than micro enterprises and small enterprises		16,704.41	14,404.08
Other payables	17B		
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues other than micro enterprises and small enterprises		1,756.21	631.79
Other financial liabilities	18	6,806.58	8,461.35
Provisions	15B	1,466.98	1,123.67
Other current liabilities	19	4,820.54	5,652.85
Current Tax Liabilities (net)	20	634.66	2,553.93
<b>Total</b>		<b>1,08,525.07</b>	<b>91,637.94</b>

See accompanying notes forming part of the  
financial statements

A to D

As per our separate report of even date.  
For **M/s Kirtane & Pandit LLP**  
Chartered Accountants  
Firm Regn. No. 105215W/W100057

**Niraj S. Shirgaokar**  
Managing Director  
(DIN-00254525)

**Chandan S. Shirgaokar**  
Managing Director  
(DIN-00208200)

**Parag Pansare**  
Partner  
Memb. No. 117309

**Shrikanta V. Bhat**  
Manager-Finance  
(ACA-222060)

Place : Ugarkhurd  
Date : 28-05-2024

Place : Ugarkhurd  
Date : 28-05-2024

**Statement of Profit and Loss Account for the year ending 31<sup>st</sup> March 2024**

(Amount in Rs. Lakhs)

Particulars	Ref. to Notes	For the year ended 31 <sup>st</sup> March 2024	For the year ended 31 <sup>st</sup> March 2023
<b>Continuing Operations</b>			
I Revenue From Operations	21	1,27,723.66	1,94,014.95
II Other Income	21A	3,307.94	642.31
<b>III Total Income (I+II)</b>		<b>1,31,031.60</b>	<b>1,94,657.26</b>
IV Expenses			
(a) Cost of materials consumed	22A	94,241.60	92,449.88
(b) Other Manufacturing Expenses	22B	4,432.82	3,512.82
(c) Purchases of Stock-in-Trade	23	6,422.66	7,352.83
(d) Changes in inventories of finished goods, Stock-in-Trade and work-in-progress	24	(10,557.71)	40,257.98
(e) Employee benefits expenses	25	9,452.44	10,793.89
(f) Finance costs	26	4,440.26	4,859.52
(g) Excise Duty on Goods Sold		12,602.51	14,597.38
(h) Depreciation and amortization expense	27	2,908.21	1,807.97
(i) Other expenses	28	4,108.67	4,185.75
<b>Total expenses (IV)</b>		<b>1,28,051.46</b>	<b>1,79,818.02</b>
V Profit/(loss) before exceptional items and tax from continuing operations		2,980.14	14,839.24
VI Exceptional Items			-
<b>Profit/(loss) before tax from continuing operations</b>		<b>2,980.14</b>	<b>14,839.24</b>
Tax expense:			
(1) Current tax	16A	793.96	3,555.61
(2) MAT Credit entitlement for earlier year		-	-
(3) MAT Credit entitlement for earlier year and written off		-	818.23
(4) Deferred tax	16 A	71.93	160.60
<b>Profit/(Loss) for the period</b>		<b>2,114.25</b>	<b>10,304.80</b>
<b>Other Comprehensive Income</b>			
A. Other Comprehensive Income to be reclassified to profit or loss in subsequent periods			
(i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Net Other Comprehensive Income to be reclassified to profit or loss in subsequent periods		-	-



**Statement of Profit and Loss Account for the year ending 31<sup>st</sup> March 2024**

(Amount in Rs. Lakhs)

Particulars	Ref. to Notes	For the year ended 31 <sup>st</sup> March 2024	For the year ended 31 <sup>st</sup> March 2023
B. Other Comprehensive Income not to be reclassified to profit or loss in subsequent periods			
(i) Items that will not be reclassified to profit or loss		(186.33)	(156.49)
(ii) Income tax relating to items that will not be reclassified to profit or loss	16A	46.88	40.14
Net Other Comprehensive Income not to be reclassified to profit or loss in subsequent periods		(139.45)	(116.35)
<b>Other Comprehensive Income (net of tax)</b>		<b>(139.45)</b>	<b>(116.35)</b>
<b>Total Comprehensive Income for the year (net of tax)</b>		<b>1,974.80</b>	<b>10,188.45</b>
<b>Earnings per share (Nominal Value per share Rs. 1)</b>			
Basic computed on the basis of profit		1.88	9.16
Diluted computed on the basis of profit		1.88	9.16

As per our separate report of even date.  
For **M/s Kirtane & Pandit LLP**  
Chartered Accountants  
Firm Regn. No. 105215W/W100057

**Niraj S. Shirgaokar**  
Managing Director  
(DIN-00254525)

**Chandan S. Shirgaokar**  
Managing Director  
(DIN-00208200)

**Parag Pansare**  
Partner  
Memb. No. 117309

**Shrikanta V. Bhat**  
Manager-Finance  
(ACA-222060)

Place : Ugarkhurd  
Date : 28-05-2024

Place : Ugarkhurd  
Date : 28-05-2024

**Statement of Cash Flows For The Year Ended 31<sup>st</sup> March 2024**

(Amount in Rs. Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March 2024	For the year ended 31 <sup>st</sup> March 2023
A. Net profit before tax and extraordinary items	2,980.14	14,839.24
Adjustment for:		
Depreciation and amortization expense	2,908.21	1,807.97
Bad debts and Sundry Advances Written off	0.03	9.23
Provision for Doubtful Debts Bad debts and Sundry Advances Written off	90.97	53.53
Loss/Gain on Disposal/Adjustment of PPE	19.15	-
Finance Costs	4,440.26	4,834.52
Unrealised Loss on Units and Preference Shares	10.85	9.71
Investment Income	(253.09)	(25.64)
<b>Operating profit before working capital changes</b>	<b>10,196.52</b>	<b>21,528.57</b>
Decrease/ (Increase) in trade receivables, advances and other assets	468.14	(11,675.45)
Decrease/ (Increase) in Inventories	(11,976.36)	40,418.14
Increase/ (Decrease) in trade payables , provisions and other liabilities	(524.52)	(7,963.40)
Cash Generated from operations	(1,836.22)	42,307.86
Direct Tax paid (Net of Refund)	(1,895.58)	(2,903.00)
Cash flow before extraordinary items	(3,731.80)	39,404.86
Extraordinary items	-	-
Net cash from Operating activities	(3,731.80)	39,404.86
B. Cash flow from investing activities		
Purchase of property, plant and equipment	(10,284.52)	(5,923.88)
Purchase / Sale of Investments	(0.79)	(1.41)
Advance Given for Investment	-	-
Interest and Dividend received	459.31	1,083.44
Net cash from investing activities	(9,826.00)	(4,841.85)
C. Cash flow from financing activities		
Interest paid	(4,427.44)	(4,821.85)
Proceeds / (Repayment) from long term borrowings (net)	(4,239.68)	1,336.06
Proceeds / (Repayment) from short term borrowings (net)	22,305.21	(30,844.18)
Dividend Paid	(562.50)	(281.25)
Net cash from Financing activities	13,075.59	(34,611.22)
D. Net increase/(decrease) in Cash and Cash equivalents (A+B+C)	(482.21)	(48.21)
E. Opening Cash and Cash equivalents	576.05	624.26
F. Closing Cash and Cash equivalents	93.84	576.05

**Notes to Cash Flow Statement**

- Cash Flow Statement has been prepared under indirect method as set out in Ind AS 7.
- Purchase of property, plant and equipment includes movement in Capital Work in Progress and Capital Advances.
- Figures for the previous year have been regrouped where necessary.

As per our separate report of even date.  
For **M/s Kirtane & Pandit LLP**  
Chartered Accountants  
Firm Regn. No. 105215W/W100057

**Parag Pansare**  
Partner  
Memb. No. 117309

Place : Ugarkhurd  
Date : 28-05-2024

**Niraj S. Shirgaokar**  
Managing Director  
(DIN-00254525)

**Shrikanta V. Bhat**  
Manager-Finance  
(ACA-222060)

Place : Ugarkhurd  
Date : 28-05-2024

**Chandan S. Shirgaokar**  
Managing Director  
(DIN-00208200)

## Statement of Changes in Other Equity For the year ended 31<sup>st</sup> March 2024

(Amount in Rs. Lakhs)

Particulars	Equity Share Capital	Reserves and Surplus				Items of OCI	Total
		Share Premium	General Reserve	Retained Earnings	Asset Revaluation Reserve	Others	
As at 1 <sup>st</sup> April 2022	1,125.00	1,575.00	2,267.58	7,077.32	124.02	7.31	12,176.22
Profit for the period				10,304.80			10,304.80
Acturial (Loss) Net of Tax							-
Less : Dividend for F.Y. 2021-22 paid during the year				(281.25)			(281.25)
As at 1st April 2022							-
Acturial (Loss) Net of Tax						(116.34)	(116.34)
Recoupment from revaluation building							-
Changes in accounting policy or prior period errors							
Restated balance at the beginning of the current reporting period							
<b>As at 31<sup>st</sup> March 2023</b>	<b>1,125.00</b>	<b>1,575.00</b>	<b>2,267.58</b>	<b>17,100.87</b>	<b>124.02</b>	<b>(109.03)</b>	<b>22,083.45</b>
Less : Dividend for F.Y. 2022-23 paid during the year				(562.50)			(562.50)
As at 1 <sup>st</sup> April 2023							-
Profit for the period				2,114.25			2,114.25
Acturial (Loss) Net of Tax						(139.45)	(139.45)
Add : On Account of Merger			0.80				0.80
Recoupment from revaluation building				-	0.27		0.27
Changes in accounting policy or prior period errors							
Restated balance at the beginning of the current reporting period							
<b>As at 31<sup>st</sup> March 2024</b>	<b>1,125.00</b>	<b>1,575.00</b>	<b>2,268.38</b>	<b>18,652.62</b>	<b>124.29</b>	<b>(248.48)</b>	<b>23,496.82</b>

As per our separate report of even date.  
**For M/s Kirtane & Pandit LLP**  
 Chartered Accountants  
 Firm Regn. No. 105215W/W100057

**Parag Pansare**  
 Partner  
 Memb. No. 117309

Place : Ugarkhurd  
 Date : 28-05-2024

**Niraj S. Shirgaokar**  
 Managing Director  
 (DIN-00254525)

**Shrikanta V. Bhat**  
 Manager-Finance  
 (ACA-222060)

Place : Ugarkhurd  
 Date : 28-05-2024

**Chandan S. Shirgaokar**  
 Managing Director  
 (DIN-00208200)



## Notes to financial statements for the year ended 31<sup>st</sup> March, 2024

<b>Note No. 1 Tangible Assets</b>							
<b>1A. Property Plant and Equipment</b>							
(Amount in Rs. Lakhs)							
Particulars	Free hold Land	Building	Plant and Equipments (owned)	Furniture and Office Equipments	Vehicles	Total Property Plant & Equipments	Capital Work in Progress
<b>Cost or Valuation</b>							
Balance as on 31 March 2022	581.20	3,523.07	45,200.36	534.37	1,015.09	50,854.09	11,222.81
Additions during 01 April 2022 to 31 March 2023	-	313.50	11,523.27	25.71	430.99	12,293.48	7,119.06
Disposal/Adjustment during 01 April 2022 to 31 March 2023	-	-	-	-	-	-	(14,555.90)
<b>Balance as on 31 March 2023</b>	<b>581.20</b>	<b>3,836.57</b>	<b>56,723.63</b>	<b>560.08</b>	<b>1,446.08</b>	<b>63,147.57</b>	<b>3,785.97</b>
Balance as on 31 March 2023	581.20	3,836.57	56,723.63	560.08	1,446.08	63,147.57	3,785.97
Additions during 01 April 2023 to 31 March 2024	75.04	-	5,504.87	26.51	329.09	5,935.52	7,837.74
Disposal/Adjustment during 01 April 2023 to 31 March 2024	-	(3.54)	(325.40)	-	(52.00)	(380.93)	(3,695.24)
<b>Balance as on 31 March 2024</b>	<b>656.24</b>	<b>3,833.03</b>	<b>61,903.10</b>	<b>586.59</b>	<b>1,723.17</b>	<b>68,702.15</b>	<b>7,928.47</b>
<b>Accumulated Depreciation</b>							
Balance as on 31 March 2022	-	2,340.33	34,780.39	486.25	882.65	38,489.61	-
Depreciation charge for the year ended 31 March 2023	-	106.84	1,614.97	23.54	59.35	1,804.72	-
Disposal/Adjustment during 01 April 2022 to 31 March 2023	-	-	-	-	-	-	-
<b>Balance as on 31 March 2023</b>	<b>-</b>	<b>2,447.17</b>	<b>36,395.36</b>	<b>509.79</b>	<b>942.00</b>	<b>40,294.33</b>	<b>-</b>
Balance as on 31 March 2023	-	2,447.17	36,395.36	509.79	942.00	40,294.33	-
Depreciation charge for the year ended 31 March 2024	-	91.84	2,595.42	24.70	191.63	2,903.59	-
Disposal/Adjustment during 01 April 2023 to 31 March 2024	-	-	-307.79	-	(49.88)	(357.67)	-
<b>Balance as on 31 March 2024</b>	<b>-</b>	<b>2,539.01</b>	<b>38,682.99</b>	<b>534.49</b>	<b>1,083.75</b>	<b>42,840.25</b>	<b>-</b>
<b>Impairment of Assets</b>							
Balance as on 31 March 2022	-	-	496.86	-	-	496.86	-
Change for the Year 2022-23	-	-	-	-	-	-	-
<b>Balance as on 31 March 2023</b>	<b>-</b>	<b>-</b>	<b>496.86</b>	<b>-</b>	<b>-</b>	<b>496.86</b>	<b>-</b>
Balance as on 31 March 2023	-	-	496.86	-	-	496.86	-
Change for the Year 2023-24	-	-	-	-	-	-	-
<b>Balance as on 31 March 2024</b>	<b>-</b>	<b>-</b>	<b>496.86</b>	<b>-</b>	<b>-</b>	<b>496.86</b>	<b>-</b>
<b>Net Book Value</b>							
As on 31.03.2022	581.20	1,182.74	9,923.11	48.11	132.44	11,867.62	11,222.81
As on 31.03.2023	581.20	1,389.40	19,831.41	50.29	504.08	22,356.39	3,785.97
As on 31.03.2024	656.24	1,294.02	22,723.25	52.10	639.42	25,365.01	7,928.47

### Aging Schedule for Capital-Work-in Progress (CWIP) and Intangible assets under Development as on 31<sup>st</sup> March 2024

Particulars	Amount of CWIP for a period of				Total
	Less than 1 Year	1-2 yeras	2-3 years	More than 3 yeras	
As on 31.03.2023	140.24	3,617.05	28.68	-	3,785.97
As on 31.03.2024	7,882.46	13.88	3.44	28.69	7,928.47



## Notes to Financial Statement for the year ended 31<sup>st</sup> March, 2024

<b>1B. Investment Property</b>		(Amount in Rs. Lakhs)
<b>Particulars</b>	<b>Amount</b>	
<b>Cost</b>		
Balance as on 31 March 2022	29.82	
Additions (subsequent expenditure) during 01 April 2022 to 31 March 2023	-	
Balance as on 31 March 2023	29.82	
Additions (subsequent expenditure) during 01 April 2023 to 31 March 2024	-	
Balance as on 31 March 2024	29.82	
Accumulated Depreciation		
<b>Balance as on 31 March 2022</b>	<b>22.70</b>	
Depreciation charge for the year ended 31 March 2023	0.41	
Impairment for the year ended 31 March 2023	-	
Balance as on 31 March 2023	23.11	
Depreciation charge for the year ended 31 March 2024	0.38	
Impairment for the year ended 31 March 2024	-	
<b>Balance as on 31 March 2024</b>	<b>23.49</b>	
Net Book Value		
As on 31.03.2022	7.12	
As on 31.03.2023	6.70	
<b>As on 31.03.2024</b>	<b>6.33</b>	

<b>Fair value of Investment Property</b>		(Amount in Rs. Lakhs)
<b>Particulars</b>	<b>Amount</b>	
Closing balance as at 31st March 2023	334.88	
Closing balance as at 31st March 2024	338.83	

**Note :** Fair value is ascertained on the basis of market rates prevailing for similar properties in those location determined by the valuer & consequently classified as a Level 3 valuation.

<b>Note No. 2 Intangible Assets</b>		(Amount in Rs. Lakhs)
<b>Particulars</b>	<b>Computer Software</b>	
<b>Cost</b>		
Balance as on 31 March 2022	206.23	
Additions during 01 April 2022 to 31 March 2023	9.45	
Adjustment/Disposals during 01 April 2022 to 31 March 2023	-	
Balance as on 31 March 2023	215.68	
Additions during 01 April 2023 to 31 March 2024	2.79	
Adjustment/Disposals during 01 April 2023 to 31 March 2024	-	
Balance as on 31 March 2024	218.47	
Accumulated Amortisation and impairment		
Balance as on 31 March 2022	203.71	
Amortisation during 1 April 2022 to 31 March 2023	2.87	
Impairment during 1 April 2022 to 31 March 2023	-	
Balance as on 31 March 2023	206.58	
Amortisation during 1 April 2023 to 31 March 2024	4.25	
Impairment during 01 April 2023 to 31 March 2024	-	
Balance as on 31 March 2024	210.83	
Net Book Value		
As at 31 March 2022	2.52	
As at 31 March 2023	9.10	
As at 31 March 2024	7.64	

Notes to Financial Statement for the year ended 31<sup>st</sup> March, 2024

<b>Note No. 3A : Non Current Investments</b>		(Amount in Rs. Lakhs)	
<b>Particulars</b>	<b>As on 31<sup>st</sup> March 2024</b>	<b>As on 31<sup>st</sup> March 2023</b>	
1. Investments at Fair Value through Profit and Loss			
a. Investment in Mutual Funds			
42634.70 (40,837.91) Units of Rs. 10 each of UTI Balanced Fund (At NAV)	20.49	15.41	
b. Investment in Preference Shares			
(i) 4,75,000 (4,75,000) 10% Cumulative Redeemable Preference Shares of Rs. 100 each of Synergy Green Industries Ltd. (At Fair Value)	322.31	332.39	
2. Investments at Cost			
a. Investment in Unquoted Preference Shares			
(i) 10,00,000 (10,00,000) 8% Cumulative Redeemable Preference Shares of Rs. 10 each of Ugar Quality Packaging Ltd.	100.00	100.00	
b. Investment in Unquoted Equity Shares			
(i) 2,27,500 (2,27,500) Equity Shares of Rs. 10 each of Ugar Quality Packaging Pvt. Ltd.	22.75	22.75	
(ii) 50,000 (50,000) Shares of Rs. 10 each of Sangli Urban Co-operative Bank Ltd.	5.00	5.00	
(iii) 11530 (11530) Shares of Rs. 50 each of Dombivali Nagari Sahakari Bank	5.77	5.77	
<b>Sub-Total</b>	<b>33.52</b>	<b>33.52</b>	
3. Provision for diminution in value of investments	(122.75)	(122.75)	
<b>Total</b>	<b>353.57</b>	<b>358.57</b>	
Aggregate market value of quoted Investments	20.49	15.41	
Aggregate book value of quoted Investments	20.49	15.41	
Aggregate value of unquoted Investments	455.83	465.91	
Aggregate amount of impairment in the value of investment	(122.75)	(122.75)	

**Notes to Financial Statement for the year ended 31<sup>st</sup> March, 2024**

<b>Note No. 5 : Other Current Financial Assets</b>		(Amount in Rs. Lakhs)	
<b>Particulars</b>	<b>As on 31<sup>st</sup> March 2024</b>	<b>As on 31<sup>st</sup> March 2023</b>	
Accrued Interest on Bank Deposits & Advances	205.19	44.32	
Security deposits with Government Authorities	59.89	57.12	
Security Deposits other than Government Authorities	64.94	64.85	
Considered Doubtful	28.00	28.00	
<b>Sub-Total</b>	<b>92.94</b>	<b>92.85</b>	
Less: Provision for Doubtful Deposit	28.00	28.00	
Sub-Total	64.94	64.85	
<b>Total</b>	<b>330.02</b>	<b>166.29</b>	

<b>Note No. 6 : Other Non Current Financial Assets</b>		(Amount in Rs. Lakhs)	
<b>Particulars</b>	<b>As on 31<sup>st</sup> March 2024</b>	<b>As on 31<sup>st</sup> March 2023</b>	
Long Term Receivables (Unsecured, Considered Good)			
Indirect Tax Receivable (Paid under protest)	21.93	21.93	
Capital Advance Paid to Others	1,856.01	1,648.19	
<b>Total</b>	<b>1,877.94</b>	<b>1,670.12</b>	

<b>Note No. 7 - Inventories</b>		(Amount in Rs. Lakhs)	
<b>(Refer Note C (i) of Significant Accounting Policies)</b>			
<b>Particulars</b>	<b>As on 31<sup>st</sup> March 2024</b>	<b>As on 31<sup>st</sup> March 2023</b>	
<b>Raw material</b>			
Crop in Progress	12.40	30.88	
Other Raw Material	1,069.96	131.33	
<b>Finished Goods</b>			
Sugar, Molasses and Spirit	43,262.11	31,116.41	
Bagasse- Own	1,639.26	1,188.98	
Ethanol Stock in Transit	662.49		
<b>Stock in Trade</b>			
Stock in Trade (Petroleum Products & Traded Sugar)	115.22	2,667.75	
<b>Stores, Spare Parts and Others</b>	1,745.34	1,395.07	
<b>Total</b>	<b>48,506.78</b>	<b>36,530.42</b>	

**Notes to Financial Statement for the year ended 31<sup>st</sup> March, 2024**

<b>Note No. 8 : Trade Receivables</b>		(Amount in Rs. Lakhs)	
<b>Particulars</b>	<b>As on 31<sup>st</sup> March 2024</b>	<b>As on 31<sup>st</sup> March 2023</b>	
<b>Trade Receivable</b>			
Considered Good	14,209.78	18,730.41	
Which have significant increase in credit risk (Doubtful)	39.99	31.73	
<b>Total</b>	<b>14,249.77</b>	<b>18,762.14</b>	
Less : Provision for Doubtful debts	39.99	31.73	
<b>Total Trade Receivables</b>	<b>14,209.78</b>	<b>18,730.41</b>	

**Balance as at 31<sup>st</sup> March 2024**

<b>Particulars</b>	<b>Outstanding for following periods from due date of payment</b>					<b>Total</b>
	<b>Less than 6 months</b>	<b>6 months – 1 year</b>	<b>1-2 years</b>	<b>2-3 years</b>	<b>More than 3 years</b>	
(i) Undisputed Trade receivables – considered good	9,827.95	84.16	4,172.16	81.62	83.88	14,249.77
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>9,827.95</b>	<b>84.16</b>	<b>4,172.16</b>	<b>81.62</b>	<b>83.88</b>	<b>14,249.77</b>
Less : Provision for Doubtful debts					39.99	39.99
<b>Total Trade Receivables</b>	<b>9,827.95</b>	<b>84.16</b>	<b>4,172.16</b>	<b>81.62</b>	<b>43.89</b>	<b>14,209.78</b>



## Notes to Financial Statement for the year ended 31<sup>st</sup> March, 2024

### Balance as at 31<sup>st</sup> March 2023

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	16,966.35	1,681.55	55.58	33.22	25.44	18,762.14
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>16,966.35</b>	<b>1,681.55</b>	<b>55.58</b>	<b>33.22</b>	<b>25.44</b>	<b>18,762.14</b>
Less : Provision for Doubtful debts				31.73	-	31.73
<b>Total Trade Receivables</b>	<b>16,966.35</b>	<b>1,681.55</b>	<b>55.58</b>	<b>1.49</b>	<b>25.44</b>	<b>18,730.41</b>

### Note No. 9A : Cash & Cash Equivalents

(Amount in Rs. Lakhs)

Particulars	As on	As on
	31 <sup>st</sup> March 2024	31 <sup>st</sup> March 2023
Cash in Hand	12.89	9.47
Balances with banks in Current Accounts	80.95	566.58
<b>Total</b>	<b>93.84</b>	<b>576.05</b>

### Note No. 9B : Bank balances other than above

(Amount in Rs. Lakhs)

Particulars	As on	As on
	31 <sup>st</sup> March 2024	31 <sup>st</sup> March 2023
Unclaimed Dividend Account	72.01	57.60
Balances in Term Deposits :		
- For Issue of bank gurantees	1,396.05	1,203.35
- Term Deposit	2,500.00	-
<b>Total</b>	<b>3,968.06</b>	<b>1,260.95</b>

**Notes to Financial Statement for the year ended 31<sup>st</sup> March, 2024**

<b>Note No. 11 : Other Current Assets</b>		(Amount in Rs. Lakhs)	
<b>Particulars</b>	<b>As on 31<sup>st</sup> March 2024</b>	<b>As on 31<sup>st</sup> March 2023</b>	
Balances with Government Authorities	254.82	55.63	
Advances to Cultivators and Cane-Growers			
Considered Good	1,615.66	1,312.34	
Considered Doubtful	196.77	142.06	
<b>Sub-Total</b>	<b>1,812.43</b>	<b>1,454.40</b>	
Less: Provision for Doubtful Advances	(196.77)	(142.06)	
<b>Sub-Total</b>	<b>1,615.66</b>	<b>1,312.34</b>	
Advances to Employees	107.61	118.86	
Advances for Capital Goods & Spares	3,294.78	3,819.50	
Advances for Materials & Services	383.23	702.26	
Advances for Others	129.10	53.33	
<b>Sub-Total</b>	<b>3,914.72</b>	<b>4,693.95</b>	
Prepaid expenses	92.43	125.05	
<b>Total</b>	<b>5,877.63</b>	<b>6,186.97</b>	

<b>Note No. 12 : Share Capital</b>		(Amounts in Rs. Lakhs)	
<b>Authorised Share Capital</b>			
<b>Particulars</b>	<b>Equity Shares No.</b>	<b>Amount in Rs.</b>	
At 31 March 2023	2,000.00	2,000.00	
Increase during the year	-	-	
(Decrease) during the year	-	-	
At 31 March 2024	2,000.00	2,000.00	

During the year there has not been any change in the Authorised Share Capital of Equity Shares.

**Terms / Rights attached to the Equity Shares**

- (i) The Company has only one class of equity shares of face value of Re. 1. Each holder of equity share is entitled to one vote per share. Dividend recommended by the Board is subject to approval of the shareholders in ensuing General Meeting
- (ii) In the event of liquidation of the Company the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion of number of equity shares held by the shareholders

**Notes to Financial Statement for the year ended 31<sup>st</sup> March, 2024**

<b>Issued Equity Capital</b> (Amounts in Rs. Lakhs)		
<b>Particulars</b>	<b>No.</b>	<b>Amount in Rs.</b>
Equity shares of Rs. 1 each issued, subscribed and fully paid up		
At 31 March 2023	1,125.00	1,125.00
Increase during the year	-	-
(Decrease) during the year	-	-
At 31 March 2024	1,125.00	1,125.00

<b>Details of shareholders holding more than 5% shares in the company</b> (Amounts in Rs. Lakhs)		
<b>Particulars</b>	<b>31<sup>st</sup> March 2024</b>	<b>31<sup>st</sup> March 2023</b>
SB Reshellers Private Limited	197.04	197.04
Percentage Holding in the class	17.51	17.51

<b>Note No. 13: Other Equity</b>		
<b>Note No. 13 (A): Reserves and Surplus</b> (Amount in Rs. Lakhs)		
<b>Particulars</b>	<b>As on 31<sup>st</sup> March 2024</b>	<b>As on 31<sup>st</sup> March 2023</b>
<b>Securities Premium</b>		
As per last Balance Sheet	1,575.00	1,575.00
	<b>1,575.00</b>	<b>1,575.00</b>
<b>General Reserve</b>		
As per last Balance Sheet	2,267.58	2,267.58
Add : On Account of Merger	0.80	-
	<b>2,268.38</b>	<b>2,267.58</b>
<b>Asset Revaluation Reserve</b>	124.29	124.02
	<b>2,392.67</b>	<b>2,391.60</b>
<b>Retained Earnings</b>		
As per last Balance Sheet	17,100.87	7,077.31
Profit carried from Statement of Profit and Loss	2,114.25	10,304.80
Balance of Profit after adjustments	<b>19,215.12</b>	<b>17,382.11</b>
Less : Dividend for F.Y. 2022-23/2021-22 paid during the year	(562.50)	(281.25)
Balance Carried forward	<b>18,652.62</b>	<b>17,100.87</b>
<b>Total</b>	<b>22,620.29</b>	<b>21,067.47</b>

Notes to Financial Statement for the year ended 31<sup>st</sup> March, 2024

<b>Note No. 13 (B): Other Comprehensive Income</b>			(Amount in Rs. Lakhs)	
<b>Particulars</b>	<b>As on 31<sup>st</sup> March 2024</b>	<b>As on 31<sup>st</sup> March 2023</b>		
As per last Balance Sheet	-109.03	7.30		
Add : For the Year	-139.45	-116.34		
<b>Total</b>	<b>-248.48</b>	<b>-109.03</b>		

<b>Note No. 14A : Long Term Borrowings</b>					(Amount in Rs. Lakhs)	
<b>Particulars</b>	<b>Effective Interest Rate</b>	<b>Maturity Date</b>	<b>As on 31<sup>st</sup> March 2024</b>	<b>As on 31<sup>st</sup> March 2023</b>		
<b>Term Loans From Bank</b>						
i) Central Bank of India - Emergency Credit Lending Scheme	1Year MCLR +2.70%+0.20% with a cap of 9.25% p.a.	Feb-26	1,971.43	2,947.39		
ii) Union Bank of India - Guaranteed Emergency Credit Line	1Year MCLR +0.60%	Mar-26	803.05	1,151.71		
iii) Union Bank of India - Covid-3 Loan	1 Year MCLR +0.60%	Mar-28	1,950.00	1,950.00		
iv) Central Bank of India - Covid-3 Loan	1 Year MCLR +1.00%	Dec-27	2,464.88	2,690.25		
v) Central Bank of India - Bio-Refinery Loan	1 Year MCLR +2.65%	Dec-26	3,169.86	4,816.05		
vi) Bank of Baroda -Emergency Grant Credit Loan- 21	1 Year MCLR + 1%	Jun-26	1,068.33	1,543.33		
vii) Bank of Baroda-Covid 3	1 Year MCLR + 1%	Mar-28	960.00	960.00		
viii) Bank of Baroda - Bio-Refinery Loan	1 Year MCLR+ SP i.e 10%	Dec-26	1,563.38	2,131.88		
			<u>13,950.93</u>	<u>18,190.61</u>		
			-	-		
Less: Current maturities in respect of above loans disclosed seperately under Short Term Borrowings			5,586.35	4,186.29		
<b>Sub-Total</b>			<b>8,364.58</b>	<b>14,004.32</b>		
<b>Total Long Term Borrowings</b>			<b>8,364.58</b>	<b>14,004.32</b>		



## Notes to Financial Statement for the year ended 31<sup>st</sup> March, 2024

### Details of Secured Term Loans

#### (i) Central Bank of India - Guaranteed Emergency Credit Line (GECL - 2) Loan

The loan was obtained under Central Government Guaranteed Emergency Credit Line Scheme (GECL - 2) Loan. The loan is secured by all tangible movable property such as stock in trade and goods. The loan is repayable in 48 monthly instalments of Rs.95.83 Lakhs each. The last instalment is due in February 2026.

#### (ii) Union Bank of India - Guaranteed Emergency Credit Line (GECL - 2) Loan

The loan was obtained under Central Government Guaranteed Emergency Credit Line Scheme (GECL - 2) Loan. The loan is secured by extension of 1<sup>st</sup> pari passu charge on all assets at Ugar and Jewargi. The loan is repayable in 48 monthly instalments of Rs.32.29 Lakhs each. The last instalment is due in March 2026.

#### (iii) Union Bank of India - Covid-UGECL 2.0 Extension

The loan was obtained under Central Government Guaranteed Emergency Credit Line Scheme (UGECL - 2.0 Extension) Loan. The loan is secured by extension of 1<sup>st</sup> pari passu charge on all assets at Ugar and Jewargi and Current Assets. The loan is repayable in 48 monthly installments of Rs.40.63 lakhs each. The last installment is due in March 2028.

#### (iv) Central Bank of India - Covid-CGECL 2.0 Extension

The loan was obtained under Central Government Guaranteed Emergency Credit Line Scheme (CGECL - 2.0 Extension) Loan. The loan is secured by extension of 1<sup>st</sup> pari passu charge on all assets at Ugar and Jewargi and Current Assets. The loan is repayable in 48 monthly installments of Rs.56.04 lakhs each. The last installment is due in December 2027.

#### (v) Central Bank of India - Bio-Refinery Loan

This loan was obtained for augmentation of ethanol production under the scheme of Govt. of Inida notified scheme "Scheme for Extending Financial Assistance to sugar mills for enhancement and augmentation of ethanal production capacity". The loan is secured by 1<sup>st</sup> pari pasu charge on all assets at Ugar and at Jewargi (including assets of new distillery unit). The loan is repayble in quarterly installments of Rs. 242.00 Lakhs. The Last installment of the loan being due in December 2026.

#### (vi) Bank of Baroada - Guaranteed Emergency Credit Line (BGECL - 2) Loan

The loan was obtained under Central Government Guaranteed Emergency Credit Line Scheme (GECL - 2) Loan. The loan is secured by extension of 1<sup>st</sup> pari passu charge on all assets at Ugar and Jewargi and Current Assets. The loan is repayable in 48 monthly installments of Rs.39.58 lakhs each. The last installment is due in June 2026.

#### (vii) Bank of Baroda COVID-3

The loan was obtained under Central Government Guaranteed Emergency Credit Line Scheme (GECL - 3) Loan. The loan is secured by extension of 1<sup>st</sup> pari passu charge on all assets at Ugar and Jewargi and Current Assets. The loan is repayable in 48 monthly installments of Rs.20 lakhs each. The last installment is due in March 2028.

#### (viii) Bank of Baroda- Bio-Refinery Loan

This loan was obtained for augmentation of ethanol production under the scheme of Govt. of Inida notified scheme "Scheme for Extending Financial Assistance to sugar mills for enhancement and augmentation of ethanal production capacity". The loan is secured by 1<sup>st</sup> pari pasu charge on all assets at Ugar and at Jewargi (including assets of new distillery unit). The loan is repayble in quarterly installments of Rs. 142.13 Lakhs. The Last installment of the loan being due in December 2026.

Notes to Financial Statement for the year ended 31<sup>st</sup> March, 2024

<b>Note No. 14B : Short Term Borrowings</b>		(Amount in Rs. Lakhs)	
<b>Particulars</b>	<b>As on 31<sup>st</sup> March 2024</b>	<b>As on 31<sup>st</sup> March 2023</b>	
<b>Current Maturities of Long Term Debts - Secured</b>			
From Banks	5,586.35	4,186.29	
From Others	-	-	
Interest accrued and due on borrowings	22.86	41.87	
<b>Working Capital Loans</b>			
<b>From Bank</b>			
<b>Cash Credit Hypothecation - ( Central Bank Of India) (Secured)</b>			
— Hypothecation of Stores	2,642.85	616.50	
— ODBD	996.88	45.10	
<b>Cash Credit Pledge (Secured)</b>			
Bank Of Baroda	5,017.86	3,882.10	
Central Bank of India	15,909.00	3,253.20	
Union Bank of India	6,244.79	4,150.24	
Sangli Urban Bank	388.74	807.17	
Dombivali Nagari Sahakari Bank	2,960.79	2,937.70	
Central Bank of India - DL	2,250.00	-	
<b>Sub Total</b>	<b>42,020.12</b>	<b>19,920.17</b>	
Book Overdraft	129.13	23.86	
Fixed Deposit from Directors	870.00	770.00	
<b>Total</b>	<b>43,019.25</b>	<b>20,714.03</b>	

**Note :** Working capital loans are secured by hypothecation of Company's stock of raw material, work in process, finished goods, consumable stores, spares, book debts, both present and future. The fund based limits are payable on demand to the Banks.

<b>Note No. 15A : Long Term Provisions</b>		(Amount in Rs. Lakhs)	
<b>Particulars</b>	<b>As on 31<sup>st</sup> March 2024</b>	<b>As on 31<sup>st</sup> March 2023</b>	
Provisions for Employee Benefits			
Provision for Leave Salary	343.88	385.70	
<b>Total</b>	<b>343.88</b>	<b>385.70</b>	

<b>Note No. 15B : Short Term Provisions</b>		(Amount in Rs. Lakhs)	
<b>Particulars</b>	<b>As on 31<sup>st</sup> March 2024</b>	<b>As on 31<sup>st</sup> March 2023</b>	
Provision for Gratuity	1,401.41	1,083.57	
Provision for Leave Salary	65.57	40.10	
<b>Total</b>	<b>1,466.98</b>	<b>1,123.67</b>	

## Notes to Financial Statement for the year ended 31<sup>st</sup> March, 2024

### Note No. 16 - Income Taxes

The major components of income tax expense for the years ended 31 March 2024 and 31 March 2023 are:

<b>Note no. 16A. Statement of Profit and Loss</b>		
(Amount in Rs. Lakhs)		
<b>(i) Profit and Loss Section</b>	<b>As on</b>	<b>As on</b>
<b>Particulars</b>	<b>31<sup>st</sup> March 2024</b>	<b>31<sup>st</sup> March 2023</b>
<b>Current Income Tax :</b>		
Current income tax charge	793.96	3,555.61
Adjustment in respect of current income tax of previous year	-	-
	<b>793.96</b>	<b>3,555.61</b>
<b>Deferred Tax :</b>		
Relating to origination and reversal of temporary differences	71.93	(160.60)
Income Tax expense reported in the statement of profit or loss	722.03	3,395.01
<b>(ii) OCI Section</b>		
Deferred Tax related to items recognised in the OCI during the year:		
Net gain/(loss) on remeasurement of defined benefit plans	(46.88)	(40.14)
Income Tax charged to OCI	(46.88)	(40.14)

### Note No. 16B : Deferred Tax

Deferred Tax relates to the following :

(Amount in Rs. Lakhs)

<b>Particulars</b>	<b>Balance Sheet</b>		<b>Statement of Profit and Loss</b>	
	<b>31-Mar-24</b>	<b>31-Mar-23</b>	<b>31-Mar-24</b>	<b>31-Mar-23</b>
Deferred Tax Liabilities				
On account of timing differences in -				
Depreciation	1,645.54	1,604.86	40.68	(266.57)
Less: Deferred Tax Assets				
On account of timing differences in -				
a. Provision for doubtful debts & advances	(66.61)	(43.73)	(22.89)	143.32
b. Disallowances under the Income Tax Act	(508.01)	(514.14)	7.26	243.48
	<u>(574.62)</u>	<u>(557.87)</u>	<u>(15.63)</u>	<u>386.80</u>
<b>Total</b>	<b>1,070.92</b>	<b>1,046.99</b>	<b>25.05</b>	<b>120.23</b>

**Notes to Financial Statement for the year ended 31<sup>st</sup> March, 2024**

<b>Reflected in the Balance sheet as follows :</b>			(Amount in Rs. Lakhs)	
<b>Particulars</b>	<b>As on 31<sup>st</sup> March 2024</b>	<b>As on 31<sup>st</sup> March 2023</b>		
Deferred Tax Assets	(574.62)	(557.86)		
Deferred Tax Liabilities	1,645.54	1,604.85		
<b>Deferred Tax Liabilities (net)</b>	<b>1,070.92</b>	<b>1,046.99</b>		

<b>Note No. 17 (A) : Trade Payables</b>			(Amount in Rs. Lakhs)	
<b>Particulars</b>	<b>As on 31<sup>st</sup> March 2024</b>	<b>As on 31<sup>st</sup> March 2023</b>		
Total Outstanding Dues of Micro & Small Enterprises	40.25	575.79		
Total Outstanding Dues of other than Micro & Small Enterprises	16,704.41	14,404.08		
<b>Total</b>	<b>16,744.66</b>	<b>14,979.87</b>		

**Balance as at 31<sup>st</sup> March 2024** (Amount in Rs. Lakhs)

<b>Particulars</b>	<b>Outstanding for following periods from due date of payment</b>				<b>Total</b>
	<b>Less than 1 year</b>	<b>1-2 years</b>	<b>2-3 years</b>	<b>More than 3 years</b>	
(i) MSME	40.25	-	-	-	40.25
(ii) Others	16,474.41	13.45	48.31	115.68	16,651.85
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues Others	-	-	-	52.56	52.56
<b>Total</b>	<b>16,514.66</b>	<b>13.45</b>	<b>48.31</b>	<b>168.24</b>	<b>16,744.66</b>

**Balance as at 31<sup>st</sup> March 2023** (Amount in Rs. Lakhs)

<b>Particulars</b>	<b>Outstanding for following periods from due date of payment</b>				<b>Total</b>
	<b>Less than 1 year</b>	<b>1-2 years</b>	<b>2-3 years</b>	<b>More than 3 years</b>	
(i) MSME	575.79	-	-	-	575.79
(ii) Others	14,128.30	51.57	32.27	142.33	14,354.47
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues Others	-	-	-	49.61	49.61
<b>Total</b>	<b>14,704.09</b>	<b>51.57</b>	<b>32.27</b>	<b>191.94</b>	<b>14,979.87</b>



**Notes to Financial Statement for the year ended 31<sup>st</sup> March, 2024**

<b>Note No. 17 (B) : Other Payables</b>		(Amount in Rs. Lakhs)	
<b>Particulars</b>	<b>As on 31<sup>st</sup> March 2024</b>	<b>As on 31<sup>st</sup> March 2023</b>	
Other Payables	1,516.84	543.51	
Payable for Capital Goods	239.37	88.28	
<b>Total</b>	<b>1,756.21</b>	<b>631.79</b>	

<b>Note No. 18 : Other Current Financial Liabilities</b>		(Amount in Rs. Lakhs)	
<b>Particulars</b>	<b>As on 31<sup>st</sup> March 2024</b>	<b>As on 31<sup>st</sup> March 2023</b>	
Harvesters & Transporters Loan (Refer Note D-1)	5,176.46	5,280.12	
Unclaimed Dividend	72.01	57.60	
Unpaid Matured Deposits & Interest Accrued	–	2.55	
Trade Deposits and Advances	181.21	159.80	
Salaries, Wages, Bonus & Commission Payable	1,298.33	2,887.25	
Contractors Retention	25.02	9.43	
Other Payables - Employees	15.88	16.47	
Kerala Opearations	10.27	20.06	
Other Payables	27.40	28.07	
<b>Total</b>	<b>6,806.58</b>	<b>8,461.35</b>	

<b>Note No. 19 : Other Current Liabilities</b>		(Amount in Rs. Lakhs)	
<b>Particulars</b>	<b>As on 31<sup>st</sup> March 2024</b>	<b>As on 31<sup>st</sup> March 2023</b>	
Provision for Excise Duty on Finished Goods	242.52	180.29	
Outstanding Expenses	4,123.99	4,815.77	
Advance from Customers	255.47	377.16	
Statutory Dues Payable	198.56	279.63	
<b>Total</b>	<b>4,820.54</b>	<b>5,652.85</b>	

<b>Note No. 20 : Current Tax Liabilities (net)</b>		(Amount in Rs. Lakhs)	
<b>Particulars</b>	<b>For the year ended 31<sup>st</sup> March 2024</b>	<b>For the year ended 31<sup>st</sup> March 2023</b>	
Advance Payment of Taxes	7,187.98	4,474.98	
MAT Credit Receivable	–	–	
Sub-Total	7,187.98	4,474.98	
Less : Tax Provision	7,822.64	7,028.91	
<b>Total</b>	<b>634.66</b>	<b>2,553.93</b>	

**Notes to Financial Statement for the year ended 31<sup>st</sup> March, 2024**

<b>Note No. 21 : Revenue from Operations</b>		(Amount in Rs. Lakhs)	
<b>Particulars</b>	<b>For the year ended 31<sup>st</sup> March 2024</b>	<b>For the year ended 31<sup>st</sup> March 2023</b>	
<b>Continuing Operations</b>			
<b>Sale of Product</b>			
a. Finished Goods			
Sugar/ Sugar Sachet	49,225.02	1,06,217.58	
Rectified Spirit	4.29	1,769.88	
Denatured Spirit	2.10	1,156.40	
Potable Alcohol (including excise duty)	14,807.72	17,574.62	
Electricity	3,629.41	4,920.06	
Biofuel	41,996.32	51,443.28	
b. Traded Goods			
Sugar	4,247.64	-	
Petroleum Products	4,206.24	4,839.69	
Broken Rice	842.74	-	
c. By-Products & Others	8,717.02	6,072.86	
<b>Total Sale of Products</b>	<b>1,27,678.50</b>	<b>1,93,994.37</b>	
<b>Other Operating Revenues</b>			
Incentive for Ethanol from Syrup	45.16	20.58	
<b>Total</b>	<b>1,27,723.66</b>	<b>1,94,014.95</b>	

<b>Note No. 21A : Other Income</b>		(Amount in Rs. Lakhs)	
<b>Particulars</b>	<b>For the year ended 31<sup>st</sup> March 2024</b>	<b>For the year ended 31<sup>st</sup> March 2023</b>	
<b>Non Operating Revenues</b>			
<b>Sale of Services</b>			
Machinery & Bullock Cart Hire Charges	0.44	0.38	
<b>Excess Provisions &amp; Unclaimed Credit Balances</b>			
Balances Written Back	2,337.86	25.52	
<b>Others</b>			
Insurance Claims Received	0.12	100.15	
Profit on Sale of Scrap	593.34	375.93	
Miscellaneous Receipts	72.59	65.02	
Profit on Sale of Fixed Assets	2.87	-	
<b>Finance Income</b>			
Dividend on Non - Trade investments	0.90	1.41	
Interest on Advances, Bank Deposits and Others	295.51	73.90	
Unrealised Profit on Investment	4.31	-	
<b>Total</b>	<b>3,307.94</b>	<b>642.31</b>	

Notes to Financial Statement for the year ended 31<sup>st</sup> March, 2024

<b>Note No. 22 A : Cost of Material Consumed</b>		(Amount in Rs. Lakhs)	
<b>Particulars</b>	<b>For the year ended 31<sup>st</sup> March 2024</b>	<b>For the year ended 31<sup>st</sup> March 2023</b>	
A. Cost of Raw Material and Components			
01. Sugarcane			
Purchased	63,660.96	69,615.32	
Harvesting & Transport	15,681.26	16,675.94	
Cane Purchase and Development	493.39	347.13	
<b>Sub-Total</b>	<b>79,835.61</b>	<b>86,638.39</b>	
02. Other Raw Material			
Molasses	452.76	2,188.76	
Syrup	27,505.42	35,137.88	
Malt	0.04	0.05	
Broken Rice	6,848.38	-	
Maize	2,845.20	-	
Rectified Spirit	1,288.50	1,388.22	
Others	10.07	0.05	
<b>Sub-Total</b>	<b>38,950.37</b>	<b>38,714.96</b>	
Less : Inter-segment transfers	(28,223.45)	(37,011.29)	
<b>Sub-Total</b>	<b>10,726.92</b>	<b>1,703.67</b>	
<b>B. Stores, Spares, Chemicals and Others</b>	3,679.07	4,107.82	
<b>Total</b>	<b>94,241.60</b>	<b>92,449.88</b>	

<b>Note No. 22 B : Other Manufacturing Expenses</b>		(Amount in Rs. Lakhs)	
<b>Particulars</b>	<b>For the year ended 31<sup>st</sup> March 2024</b>	<b>For the year ended 31<sup>st</sup> March 2023</b>	
01. Power Fuel and Water	1,568.15	801.67	
02. Repairs and Maintenance - Plant and Machinery	2,864.67	2,711.15	
<b>Total</b>	<b>4,432.82</b>	<b>3,512.82</b>	

<b>Note No. 23 : Purchase of Stock in Trade</b>		(Amount in Rs. Lakhs)	
<b>Particulars</b>	<b>For the year ended 31<sup>st</sup> March 2024</b>	<b>For the year ended 31<sup>st</sup> March 2023</b>	
Petroleum Products	4,109.82	4,740.18	
Sugar/Others	2,312.84	2,612.65	
<b>Total</b>	<b>6,422.66</b>	<b>7,352.83</b>	

Notes to Financial Statement for the year ended 31<sup>st</sup> March, 2024

<b>Note No. 24 : Changes in inventories of finished goods, Stock-in-Trade and work-in-progress</b>		
(Amount in Rs. Lakhs)		
<b>Particulars</b>	<b>For the year ended 31<sup>st</sup> March 2024</b>	<b>For the year ended 31<sup>st</sup> March 2023</b>
<b>1. Inventory at the beginning of the year</b>		
<b>a. Finished goods</b>		
i. Sugar, Molasses, Spirit etc		
Sugar	24,852.24	65,651.46
Rectified Spirit	1,018.94	1,583.69
Potable Alcohol	973.21	1,065.37
Molasses	4,127.41	5,070.13
Others	144.62	95.11
	<u>31,116.42</u>	<u>73,465.76</u>
ii. Bagasse -own	1,188.98	1,374.83
Total	<u>32,305.40</u>	<u>74,840.59</u>
<b>b. Work-in-progress</b>		
Sugar in Process	-	376.68
<b>C. Stock in Trade at the beginning of the year</b>		
Sugar	2,612.65	-
Petroleum Products	55.10	76.43
	<u>34,973.15</u>	<u>75,293.70</u>
Less : Excise duty on Opening inventory	793.14	855.71
Value of Opening Inventory (net of Excise duty)	<b>34,180.01</b>	<b>74,437.99</b>
<b>2. Inventory at the end of the year</b>		
a) Finished goods		
i. Sugar, Molasses, Spirit etc		
Sugar	33,028.68	24,852.24
Rectified Spirit	3,934.80	1,018.94
Potable Alcohol	1,149.43	973.21
Molasses	4,998.51	4,127.41
Others	150.69	144.62
	<u>43,262.11</u>	<u>31,116.42</u>
ii. Bagasse - own	1,639.26	1,188.98
Total	<u>44,901.37</u>	<u>32,305.40</u>
b) Ethanol Stock in Transit	662.49	-
c) Stock in Trade at the end of the year		
i. Sugar	59.29	2,612.65
ii. Petroleum Products	55.93	55.10
	<u>45,679.08</u>	<u>34,973.15</u>
Less : Excise duty on Closing Inventory	941.36	793.14
Value of Year Closing Inventory (net of Excise duty)	<b>44,737.72</b>	<b>34,180.01</b>
<b>Net (Increase)/Decrease in Inventories</b>	<b>(10,557.71)</b>	<b>40,257.98</b>



**Notes to Financial Statement for the year ended 31<sup>st</sup> March, 2024**

<b>Note No. 25 : Employee Benefit Expenses</b>		(Amount in Rs. Lakhs)	
<b>Particulars</b>	<b>For the year ended 31<sup>st</sup> March 2024</b>	<b>For the year ended 31<sup>st</sup> March 2023</b>	
1. Salaries, Bonus and Commission	6,502.95	8,138.47	
2. Remuneration to Employees employed by contractors	2,194.42	1,903.91	
3. Contribution to Provident and Other Funds	466.15	459.88	
4. Gratuity Expense	216.51	204.19	
5. Workmen and Staff Welfare	72.41	87.44	
<b>Total</b>	<b>9,452.44</b>	<b>10,793.89</b>	

<b>Note No. 26 : Finance Costs</b>		(Amount in Rs. Lakhs)	
<b>Particulars</b>	<b>For the year ended 31<sup>st</sup> March 2024</b>	<b>For the year ended 31<sup>st</sup> March 2023</b>	
1. Interest on debts and borrowings	3,800.61	4,382.20	
2. Other Finance Charges	336.47	452.32	
3. Interest Others	303.18	25.00	
<b>Total</b>	<b>4,440.26</b>	<b>4,859.52</b>	

<b>Note No. 27 : Depreciation and Amortization Expense</b>		(Amount in Rs. Lakhs)	
<b>Particulars</b>	<b>For the year ended 31<sup>st</sup> March 2024</b>	<b>For the year ended 31<sup>st</sup> March 2023</b>	
Depreciation of Tangible Assets	2,903.59	1,804.70	
Amortization of Intangible Assets	4.24	2.86	
Depreciation of Investment Properties	0.38	0.41	
<b>Total</b>	<b>2,908.21</b>	<b>1,807.97</b>	

<b>Note No. 28 : Other Expenses</b>		(Amount in Rs. Lakhs)	
<b>Particulars</b>	<b>For the year ended 31<sup>st</sup> March 2024</b>	<b>For the year ended 31<sup>st</sup> March 2023</b>	
1. Administrative Expenses			
Repairs and Maintenance of Buildings	168.92	149.39	
General Repairs and Maintenance	773.01	896.28	
Insurance	167.32	156.88	
Rent	639.90	124.40	
Rates and Taxes	292.65	531.17	
Bank Charges	6.94	5.94	
Printing and Stationery	29.52	27.02	
Travelling and Conveyance	150.09	196.62	
Motor Car/ Other Vehicle Expenses	167.04	142.43	

**Notes to Financial Statement for the year ended 31<sup>st</sup> March, 2024**

Assets Written off	19.15	–
Directors Sitting Fees	27.90	31.65
Legal & Consultation Expenses	275.76	216.10
CSR Expenditure	151.27	65.36
Payment to Auditors (Refer details below)	23.98	17.84
Bad debts and Sundry Advances Written off	0.03	9.23
Commission to Non-Executive Directors	72.50	–
Provision for Doubtful Debts and Advances	90.97	53.53
Donations	10.41	10.00
Unrealised Loss on Preference Shares	10.07	9.71
Miscellaneous Expenses	336.35	403.30
	<b>3,413.78</b>	<b>3,046.85</b>
<b>2. Selling and Distribution Expenses</b>		
Freight and Selling Expenses	428.14	956.70
Commission to Selling Agents and representatives	205.59	163.79
Advertisements	61.16	18.41
	<b>694.89</b>	<b>1,138.90</b>
<b>Total</b>	<b>4,108.67</b>	<b>4,185.75</b>

<b>Payment to Auditors</b>		(Amount in Rs. Lakhs)	
<b>Particulars</b>	<b>For the year ended 31<sup>st</sup> March 2024</b>	<b>For the year ended 31<sup>st</sup> March 2023</b>	
<b>Statutory Auditors :</b>			
As Auditors:			
Audit fees	7.50	6.00	
Tax Audit fees	1.50	1.50	
Limited Review fees	9.00	4.50	
In other capacity:			
Taxation matters	–	–	
Company Law matters	0.20	0.30	
Other services (Certification fees)	–	0.10	
Reimbursement expenses	1.61	1.81	
	<u>19.81</u>	<u>14.21</u>	
<b>Cost Auditors :</b>			
As Auditors:			
Audit fee	2.50	2.00	
In other capacity:			
Reimbursement expenses	0.17	–	
	<u>2.67</u>	<u>2.00</u>	
<b>Secretarial Auditors :</b>			
As Auditors:			
Audit fee	1.50	1.50	
In other capacity:			
Certification fees	–	–	
Reimbursement expenses	–	0.13	
	<u>1.50</u>	<u>1.63</u>	
<b>Total</b>	<b>23.98</b>	<b>17.84</b>	

**Notes to Financial Statement for the Financial Year Ended 31<sup>st</sup> March 2024****NOTE C : CORPORATE INFORMATION, BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES:****1. CORPORATE INFORMATION**

Incorporated on 11-09-1939, The Ugar Sugar Works Ltd. (CIN-L15421PN1939PLC006738) is one of the leading sugar factories in Karnataka. Its shares are listed on two stock exchanges BSE and NSE. The registered office of the company is located at Mahaveernagar, Sangli. The Company is engaged in manufacture and sale of sugar, industrial and potable alcohol, and generation and distribution of electricity. The Company's plants are located at Ugarkhurd in Belagavi District and at Malli-Nagarhalli Village in Kalburgi District in the state of Karnataka.

**2. MATERIAL ACCOUNTING POLICIES****(a) COMPLIANCE WITH IND AS**

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

**(b) BASIS FOR PREPARATION OF FINANCIAL STATEMENTS**

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities (including derivative financial instruments) that are measured at fair value at the end of each reporting period. Historical cost is generally based on the fair value of the considerations given in exchange for goods and services.

**Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. The principle or the most advantageous market must be accessible by the company. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

A fair value measurement of a non-financial asset takes into account a market participants ability to generate economic benefits by using the asset in its highest and the best use. The company uses its valuation techniques that are approximate in the circumstances and for which data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

**Notes to Financial Statement for the Financial Year Ended 31<sup>st</sup> March 2024****NOTE C : CORPORATE INFORMATION, BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES:**

- Level 3 inputs are unobservable inputs for the asset or liability.
- For assets and liabilities that are recognised in the financial statements on recurring basis the company determines whether transfers have occurred between the levels in the hierarchy by re-assessing categorization (based on the lowest level of input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company management determines the policies and procedures for recurring and non- recurring fair value measurement. Involvement of external valuers is decided upon annually by the company management

At each reporting date the Company's management analyses the movements in the values of the assets and liabilities which are required to be re-measured or re-assessed as per the Company's accounting policies.

**(c) CURRENT AND NON- CURRENT CLASSIFICATION**

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. An asset is treated current when it is :

- Expected to be realized or intended to be sold or consumed in normal operating cycle. The Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.
- Held primarily for the purpose of trading
- Expected to be realised within twelve months (12 months) after reporting date
- Cash or Cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non – current.

A liability is current when:

- It is expected be settled in a normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settle within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

Deferred tax assets and liabilities are classified as non - current assets and liabilities.

The company classifies all other liabilities as non - current. The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

**(d) ROUNDING OF AMOUNTS**

The financial statements including notes thereon are presented in Indian Rupees ("Rupees "or "Rs."), which is the Company's functional and presentation currency. All amounts disclosed in the financial statements including notes thereon have been rounded off to the nearest lakhs as per the requirement of Schedule III to the Act, unless stated otherwise.



**Notes to Financial Statement for the Financial Year Ended 31<sup>st</sup> March 2024****NOTE C : CORPORATE INFORMATION, BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES:****(e) USE OF ESTIMATES**

In preparing the Company's financial statements in conformity with Ind AS, the Company's management is required to make estimates, judgements and assumptions that affect the application of accounting policies, the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period, the actual results could differ from those estimates. Difference between actual results and estimates are recognised in the period in which the results are known or materialized and if material, their effects are disclosed in the notes to the financial statements.

**(f) PROPERTY, PLANT AND EQUIPMENT (PPE) and OTHER INTANGIBLE ASSETS:****Property, plant and equipment**

Property, plant and equipment held for use in production or supply of goods or services or for administrative purposes are stated at cost less accumulated depreciation/amortization less accumulated impairment, if any. The cost of fixed assets comprises its purchase price / manufacturing cost (in case of self-constructed asset), net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, and interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use.

Capital work-in-progress for production, supply of administrative purposes is carried at cost less accumulated impairment loss, if any, until construction and installation are complete and the asset is ready for its intended use.

Depreciation is provided (other than on capital work-in-progress) using Written down Value method over the estimated useful lives of assets. Depreciation on assets acquired/ purchased, sold/discarded during the year is provided on a pro-rata basis from the date of each addition till the date of sale/retirement. The estimated useful lives of assets are stated below:

Particulars	Useful Life(in years)
Building	3 to 60
Plant and Equipment	1 to 40
Furniture and Fixtures	1 to 10
Vehicles	8 to 10
Office Equipment	1 to 13
Investment Property – Building	3 to 60

The Company, based on technical assessment made by management estimate, depreciates certain items of Plant, Property and Equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. This assessment takes into account nature of assets, the estimated usage of assets, the operating conditions of the assets, past history of replacement, anticipated technological changes, maintenance history, etc. The estimated useful life is reviewed at the end of each reporting period, with effect of any change in estimate being accounted for on a prospective basis.

**Notes to Financial Statement for the Financial Year Ended 31<sup>st</sup> March 2024****NOTE C : CORPORATE INFORMATION, BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES:**

Where the cost of part of the asset is significant to the total cost of the assets and the useful life of that part is different from the useful of the remaining asset, useful life of that significant part is determined separately. Depreciation of such significant part, if any, is based on the useful life of that part.

**Freehold land is not depreciated.**

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment, determined as the difference between the sales proceeds and the carrying amount of the asset, is recognized in the Statement of Profit or Loss.

The residual values, useful lives and methods of depreciation of property plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

**INTANGIBLE ASSETS**

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired, if any, in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment loss if any. Internally generated intangibles excluding capitalized development costs are not capitalized and the related expenditure is reflected in statement of profit and loss in the year in which expenditure is incurred.

Amortization is recognized on Straight Line Method basis over their estimated useful life of 3 years, which reflects the pattern in which the asset's economic benefits are consumed. The estimated useful life, the amortization method and the amortization period are reviewed at the end of each reporting period, with effect of any change in estimate being accounted for on a prospective basis.

An intangible asset is derecognized on disposal or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognized in the profit or loss when the asset is derecognized.

As summary of amortization policies applied to the Company's acquired intangible assets is given as under.

**INVESTMENT PROPERTIES**

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss if any.

The cost includes the cost of replacing parts and borrowing costs for long term construction projects if the recognition criteria are met. When significant parts of the investment properties are required to be replaced at intervals, the company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in the profit or loss as incurred.

The company depreciates building component of investment property over years from the date of original purchase / date of capitalisation.

**Notes to Financial Statement for the Financial Year Ended 31<sup>st</sup> March 2024****NOTE C : CORPORATE INFORMATION, BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES:**

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property.

Investment properties are derecognised either when they have been disposed or when they are permanently withdrawn from the use and no future economic benefit is expected from their disposal. The difference between net disposal proceeds and carrying amount of the asset is recognised in the profit or loss in the period of de-recognition.

Depreciation on building is provided over its useful life as mentioned above using the written down value method as per the provisions of Schedule II to the Companies Act, 2013.

**(g) LEASES**

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Company has elected not to apply the requirements of Ind AS 116 to leases which are expiring within 12 months from the date of transition by class of asset and leases for which the underlying asset is of low value on a lease-by-lease basis.

**(h) IMPAIRMENT OF NON- FINANCIAL ASSETS(TANGIBLE AND INTANGIBLE)**

At the end of each reporting period, the Company reviews the carrying amounts of tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. When it is not possible to estimate the recoverable amount of individual asset, the Company estimates the recoverable amount of the cash generating unit to which an individual asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing, value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the Statement of Profit or Loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. The reversal of an impairment loss is recognized immediately in the Statement of Profit or Loss.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. Impairment losses of continuing operations including impairment on inventories are recognised in the statement of profit and loss except for properties previously revalued with revaluation surplus taken to OCI. For such properties the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

**Notes to Financial Statement for the Financial Year Ended 31<sup>st</sup> March 2024****NOTE C : CORPORATE INFORMATION, BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES:****(i) INVENTORIES****Inventories are valued as follows:**

Raw materials, stores and spares, Material in transit, packing materials, crops in progress and Petroleum products

The Raw materials, stores and spares, Material in transit, packing materials and Petroleum products valued at lower of cost and net realisable value and Crops in progress valued at Fair value less cost to sale. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on Moving Weighted Average basis.

Cost comprises costs of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

Molasses, molasses in process, own Bagasse and scrap are valued at net realisable value.

**Finished goods**

Valued at lower of cost and net realizable value. Cost includes direct materials, labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods excludes excise duty. Excise duty is provided on manufacture of goods, which are not exempt from the payment of duty.

**Work-in-process**

Valued at lower of cost up to estimated stage of process and net realisable value. Cost includes direct materials, labour and a proportion of manufacturing overheads based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

**By-products**

By-products are valued at net realizable value. Inter-unit transfers of by- products also include the cost of transportation, duties, etc.

**(j) REVENUE RECOGNITION**

Revenue recognition is based on the five step revenue recognition model.

- Identifying the contract with customer.
- Identifying the performance obligations in the contract.
- Determining the transaction price.
- Allocation of transaction price.
- Recognition of revenue when (or as) a performance obligation is satisfied.

Each distinct goods or service that an entity promises to transfer is a performance obligation.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The



**Notes to Financial Statement for the Financial Year Ended 31<sup>st</sup> March 2024****NOTE C : CORPORATE INFORMATION, BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES:**

transaction price of goods sold and services rendered is net of variable consideration on account of discounts and schemes offered by the company as a part of the contract.

The Company adjusts the promised amount of consideration for the effects of time value of money if payment by the customer occurs either significantly before or significantly after the performance. The interest income or interest expense resulting from a significant financing component is presented separately from revenue, unless interest income represents ordinary activity.

Considering the nature of business of the entity, accounting for warranties prescribed by the standard is not applicable to the Company.

Contract modifications are accounted for as either separate or as a part of the existing contract depending on the nature of the modification.

Costs to obtain contracts and fulfil the contracts are recognised as assets. Such recognized assets are amortised over the period that the performance obligation is satisfied and are periodically reviewed for impairment. Costs Recognition is subject to the following clause fulfilment:

- Costs are directly related to a contract or specific contract and;
- Costs generate or enhance resources used in satisfying performance obligation and;
- Entity expects to recover the costs.

Income from services is recognised as they are rendered (based on agreement/arrangement with the concerned customers).

Revenue in respect of insurance / other claims, interest, subsidy, incentive, etc. is recognized only when it is reasonably certain that the ultimate collection will be made.

This Ind AS does not deal with revenue from lease contracts, insurance contracts, financial instruments and other contractual rights and obligations. It also scopes out non – monetary exchanges between entities in similar business to facilitate sale to customers or potential customers.

**Interest income**

Interest income from debt instruments is recognised using the effective interest rate method.

**Dividends**

Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established.

**(k) INVESTMENTS IN SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES**

Investments in subsidiaries, joint ventures and associates are recognised at cost as per Ind AS 27. Except where investments accounted for at cost shall be accounted for in accordance with Ind AS 105, Non-current Assets Held for Sale and Discontinued Operations, when they are classified as held for sale.

**(l) GOVERNMENT GRANTS AND ASSISTANCE**

Grants and subsidies from Government are recognized when there is reasonable assurance that (i) the company will comply with the conditions attached to them and (ii) the grant/subsidy will be received.

**Notes to Financial Statement for the Financial Year Ended 31<sup>st</sup> March 2024****NOTE C : CORPORATE INFORMATION, BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES:**

When the grant subsidy relates to revenue, it is recognized as income on a systematic basis on the statement of profit and loss over the periods necessary to match them with the related costs which they are intended to compensate. Government grants relating to the purchase of property, plant and equipment are reduced from the gross book value of property, plant and equipment.

When company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual installments. When loans or similar assistance are provided by governments or related institutions with an interest rate below the current applicable market rate, the effect of this favorable interest is regarded as government grant. The loan or assistance is initially recognized and measured at fair value and government grant is measured as the difference between initial carrying value of the loan and proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities. Currently the Company does not have any grant/assistance that qualifies for such accounting treatment.

**(m) FOREIGN CURRENCIES**

The financial statements are presented in Indian rupees, which is also the functional currency of the Company.

**(n) INVESTMENTS**

The Company has measured its investments at Cost except for following:

- (i) Investments in Mutual Fund are valued at fair market value using NAV as on 31st March 2024.
- (ii) Investment in Preference shares of Synergy Green Industries Ltd is valued at fair market value using discounted cash flows.

**(o) EMPLOYEE BENEFITS****Short Term Employee Benefits**

Short-term employee benefits are recognized as an expense at the undiscounted amount in the statement of profit and loss of the year in which the related service is rendered.

**Other Long Term Employee Benefits**

The Company provides for the encashment of leave or leave with pay subject to certain rules. The employees are entitled to accumulate leave for availment as well as encashment subject to the rules. As per the regular past practice followed by the employees, it is not expected that the entire accumulated leave shall be encashed or availed by the employees during the next twelve months and accordingly the benefit is treated as long-term defined benefit. The liability is provided for based on the number of days of unutilised leave at the Balance Sheet date on the basis of an independent actuarial valuation.

**Post Employment Benefits****(i) Defined Contribution Plans**

The eligible employees of the Company are entitled to receive benefits under the Provident Fund, a defined contribution plan in which both the employees and the Company make monthly contributions at a specified percentage of the covered employees' salary. The

**Notes to Financial Statement for the Financial Year Ended 31<sup>st</sup> March 2024****NOTE C : CORPORATE INFORMATION, BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES:**

Company is maintaining separate trust for Provident Fund and recognises such contributions made to the trust as expense of the year in which the liability is incurred.

**(ii) Defined Benefit Plans**

The Company has an obligation towards Gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The plan is managed by a trust and the fund is invested with Life Insurance Corporation of India under its Group Gratuity Scheme. The Company makes annual contributions to Gratuity Fund and the Company recognises the liability for Gratuity benefits payable in future based on an independent actuarial valuation.

**(p) BORROWING COSTS**

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing cost eligible for capitalization. All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

**(q) INCOME TAX****Current income Tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised either in other comprehensive income or in equity. Current tax items are recognised in correlation to the underlying transaction either in OCI or statement of profit and loss.

**Deferred Tax**

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Deferred income tax is provided in full, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the financial statement. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are accepted to apply when the related deferred and income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses, only if, it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation

**Notes to Financial Statement for the Financial Year Ended 31<sup>st</sup> March 2024****NOTE C : CORPORATE INFORMATION, BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES:**

authority. Current tax assets and tax liabilities are offset where the Company has legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively

Minimum Alternate Tax credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

**(r) PROVISIONS**

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognized for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pretax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

**CONTINGENT LIABILITIES**

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

**(s) FINANCIAL INSTRUMENTS**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments and are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or liabilities on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.



**Notes to Financial Statement for the Financial Year Ended 31<sup>st</sup> March 2024****NOTE C : CORPORATE INFORMATION, BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES:****Financial assets****Initial Recognition and measurement**

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset

However, trade receivables that do not contain a significant financing component are measured at transaction price.

**Classification and subsequent measurement**

For the purpose of subsequent measurement, financial assets are classified in four categories :

- Debt instruments at amortized cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

**Debt instruments at amortized cost**

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest ('SPPI') on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate ('EIR') method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade and other receivables.

**Debt instruments at FVTPL**

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the P&L.

**Equity investments**

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business

**Notes to Financial Statement for the Financial Year Ended 31<sup>st</sup> March 2024****NOTE C : CORPORATE INFORMATION, BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES:**

combination to which Ind AS 103 Business Combinations applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument by- instrument basis. The classification is made on initial recognition and is irrevocable. If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss with in equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Investment in equity shares, compulsorily convertible debentures and compulsory convertible preference shares of subsidiaries, associates and joint ventures have been measured at cost less impairment allowance, if any.

**De- recognition**

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass through' arrangement; and either:
  - a) The Company has transferred substantially all the risks and rewards of the asset, or
  - b) The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

**Impairment of financial assets**

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- b) Financial assets that are debt instruments and are measured as at FVTOCI

**Notes to Financial Statement for the Financial Year Ended 31<sup>st</sup> March 2024****NOTE C : CORPORATE INFORMATION, BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES:**

- c) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115 Revenue from Contracts with Customers.
- d) Loan commitments which are not measured as at FVTPL
- e) Financial guarantee contracts which are not measured as at FVTPL

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.
- Trade receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts. Estimated irrecoverable amounts are based on the ageing of the receivables balance and historical experience. Individual trade receivables are written off when management deems them not to be collectable.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income /expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the profit and loss. The balance sheet presentation for various financial instruments is described below:

**Financial assets measured as at amortised cost and contractual revenue receivables:**

ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

- Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.

**Notes to Financial Statement for the Financial Year Ended 31<sup>st</sup> March 2024****NOTE C : CORPORATE INFORMATION, BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES:**

- Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

**Financial liabilities****Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

**Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below:

**Loans and receivables:** Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment.

**De-recognition**

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

**Reclassification of financial assets and liabilities**

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.



**Notes to Financial Statement for the Financial Year Ended 31<sup>st</sup> March 2024****NOTE C : CORPORATE INFORMATION, BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES:****(t) CASH AND CASH EQUIVALENTS**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, bank overdraft, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**(u) EARNINGS / (LOSS) PER SHARE**

Basic earnings / (loss) per share are calculated by dividing the net profit / (loss) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year are adjusted for any bonus shares, share splits or reverse splits issued during the year and also after the balance sheet date but before the date the financial statements are approved by the board of directors. For the purpose of calculating diluted earnings / (loss) per share, the net profit / (loss) for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares, sharesplits or reverse splits as appropriate. The dilutive potential equity shares are adjusted for the proceeds receivable, had the shares been issued at fair value. Dilutive potential equity shares are deemed converted as of the beginning of the year, unless issued at a later date.

**(v) SEGMENT REPORTING**

The Company's Segment predominantly based on Sugarcane based produce and allied activities. The Operational Segments constitute of Sugar, Industrial Alcohol, Potable Alcohol, Co – Generation and Petroleumproducts Sale. As regards to Geographical Segments , the segments are located at Ugarkhurd and Jewargi. Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM).

The Management Committee monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance management. Segment performance is evaluated based on profit or loss and is measured consistently with the profit and loss of financial statements.

The accounting policies adopted for segment reporting are in line with the accounting policies adopted by the Company, with the following additional policies for segment reporting:

- (i) Inter segment revenue has been accounted for based on the transaction price agreed to between segments which is primarily market led.
- (ii) Segment Revenue, Segment Expenses, Segment Assets and Segment Liabilities have been identified to segments on reasonable basis of their relationship to the operating activities of the segment from the internal reporting system.
- (iii) Gains/losses from transactions in commodity futures, which are ultimately settled net, with/without taking delivery, are recorded as 'Other revenues' under the Sugar segment.
- (iv) Revenue, Expenses, Assets and Liabilities, which relate to the enterprise as a whole and are not allocable to segments on a reasonable basis, has been included under "Unallocated".

**Notes to Financial Statement for the Financial Year Ended 31<sup>st</sup> March 2024****NOTE C : CORPORATE INFORMATION, BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES:****(w) RESEARCH AND DEVELOPMENT**

Research Costs are expensed as incurred. Expenditure on Research is considered as cost for valuation of inventory and expenditure related to capital asset is grouped with property plant and equipment under appropriate head and depreciation is provided at the applicable rate. The Company will recognize development expenditure as intangible assets when the company can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised on a straight line basis over the period of expected future benefit from the related project, i.e., the estimated useful life. Amortisation is recognised in the statement of profit and loss. During the period of development, the asset is tested for impairment annually.

**x) SUBSIDIES RECEIVED**

Subsidies received towards specific fixed assets are reduced from gross book value of the concerned fixed assets. Subsidies received relating to revenue expenditure is deducted from related expense.

**(y) MERGER OF ACCOUNTS**

Ugar Theaters Private Limited a wholly owned subsidiary of the Ugar Sugar Works Ltd., is merged as per the scheme approved by National Company Law Tribunal (NCLT) Mumbai vide its order dated October, 20 2023 and was filed with Registrar of Companies ("RoC") in accordance with the relevant sections of the Companies Act 2013 and rules there under.

Pursuant to this order consolidated financial need not be prepared. Previous year figures include figures of the merged entity

The merger has been accounted under 'pooling of interest' method as prescribed in Appendix C of Ind AS 103 "Business Combination". Outstanding balances between Ugar Theatres and Ugar Sugar Works Limited were eliminated. All assets and liabilities have been recognised at carrying amounts except for adjustments to bring uniformity of accounting policies as required under Ind AS 103.

**3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

In the application of the Company's accounting policies, which are described in Note No. C-2, the Management of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and

**Notes to Financial Statement for the Financial Year Ended 31<sup>st</sup> March 2024****NOTE C : CORPORATE INFORMATION, BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES:**

underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

**Critical judgements in applying accounting policies :**

The following are the critical judgements, apart from those involving estimations, that the Management has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognized in the financial statements.

**Key sources of estimation uncertainty:**

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

**Impairment of property, plant and equipment**

Determining whether property, plant and equipment are impaired requires an estimation of the value in use of the cash-generating unit. The value in use calculation requires the management to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. When the actual future cash flows are less than expected, a material impairment loss may arise.

**Useful lives of property, plant and equipment**

The Company reviews the estimated useful lives of property, plant and equipment at the end of each reporting period. During the current year, the management has determined that no changes are required to the useful lives of assets.

**Notes to Financial Statement for the Financial Year Ended 31-03-2024**

(Amount in Rs. Lakhs)

Particulars	Financial Year 31 <sup>st</sup> March 2024	Financial Year 31 <sup>st</sup> March 2023
<b>Note D: Other Information</b>		
1	Contingent Liabilities not provided for	
	Claims against the Company not acknowledged as debts	
a.	509.26	509.26
b.	199.59	640.24
c.	"Corporate Guarantees given to the Bankers for loans given to the Harvesting & Transport Contractors - (The due date for repayment of the loans shall be 12 months from the first disbursement)."	
	5,000.00	6,500.00
	4,880.00	5,104.02
	Total H & T Loan including Interest	
	5176.46	5,280.12
	Balance outstanding as on 31 <sup>st</sup> March 2024	
d.	1,000.00	1,000.00
	Bank Guarantee	
	In relation to matters mentioned in point number a and b as above, the Company has filed appeals before appropriate appellate authorities. Future cash outflow, if any, in respect of the following matters are determinable only on receipt of judgments/decisions pending at various stages before the appellate authorities. The matters in which the management is not certain that same would be resolved in favour of the Company, has been adequately provided. Further, in relation to certain matters mentioned in point b, the Company has received the demand notice from the Authority and the appeal is yet to be filed by the Company.	
2	<b>Commitments</b>	
a.	Estimated amounts of contracts remaining to be executed on capital account	
	1,802.14	820.30
3	Value of imports calculated on CIF basis	
	Machinery Spares	
4	Expenditure in foreign currency	
a.	5.28	25.19
b.	-	-
c.	-	-
5	Earning per share	
a.	2,114.25	10,304.80
b.	1,125.00	1,125.00
c.	Basic and Diluted Earning per share of Nominal Value of Rs.1/- each	
	1.88	9.16
6	Future Minimum Lease Rentals in respect of Buildings	
a.	Given on lease	
i.	9.49	9.85
ii.	28.66	28.08
iii.	12.30	3.10



## Notes to Financial Statement for the Financial Year Ended 31-03-2024

(Amount in Rs. Lakhs)

Particulars	Financial Year 31 <sup>st</sup> March 2024	Financial Year 31 <sup>st</sup> March 2023
<b>Note D: Other Information (Contd...)</b>		
b. Taken on lease		
i. Payable within one year	24.98	19.43
ii. Payable between one year and five years	45.82	-
iii. Payable after five years	-	-
The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.		
7 Value of Imported and Indigenous Raw Material Consumed and percentage thereof to total consumption		
a. Value		
Imported	-	-
Indigenous	94,241.60	92,449.88
b. Percentage		
Imported	-	-
Indigenous	100%	100%
8 Value of Raw Material Consumed in Note B-22A includes additional cane price relating to earlier season/s	-	-
9 Segment Reporting		
I. Primary Segment Information (Business Segments)		
Revenue		
External Operating Income		
Sugar (Including Export Incentive on Sale of Sugar)	60,757.98	1,12,262.95
Electricity	3,629.41	4,943.45
Petrol Pump	4,206.24	4,839.69
Industrial Alcohol	44,201.62	54,386.66
Potable Alcohol	14,928.41	17,582.21
<b>Total</b>	<b>1,27,723.66</b>	<b>1,94,014.96</b>
Inter-segment Sales		
Sugar	40,747.74	47,349.18
Electricity	14,097.83	11,760.13
Industrial Alcohol	1,388.27	1,932.37
<b>Total</b>	<b>56,233.84</b>	<b>61,041.68</b>
Total Revenue		
Sugar	1,01,505.72	1,59,612.12
Electricity	17,727.24	16,703.57
Petrol Pump	4,206.24	4,839.69
Industrial Alcohol	45,589.89	56,319.03
Potable Alcohol	14,928.41	17,582.21
<b>Total</b>	<b>1,83,957.50</b>	<b>2,55,056.62</b>

## Notes to Financial Statement for the Financial Year Ended 31-03-2024

(Amount in Rs. Lakhs)

Particulars	Financial Year 31 <sup>st</sup> March 2024	Financial Year 31 <sup>st</sup> March 2023
<b>Note D: Other Information (Contd...)</b>		
9 Segment Reporting		
II Primary Segment Information(Business Segments)		
Segment Results (Gross)		
Sugar	7,388.22	12,021.70
Electricity	1511.4	3491.20
Petrol Pump	43.29	40.32
Industrial Alcohol	1652.09	11575.80
Potable Alcohol	(664.58)	(714.55)
<b>Total</b>	<b>9,930.42</b>	<b>26,414.47</b>
Less: Unallocated Corporate Expenses	5,817.96	7,383.02
Operating Profit	4,112.46	19,031.45
Less:		
Finance Costs	4,440.26	4,834.52
Other Income	(3307.94)	(642.31)
Profit from Ordinary Activities	2,980.14	14,839.24
Exceptional Items	-	-
Profit before tax	2,980.14	14,839.24
9 Segment Reporting		
III Primary Segment Information (Business Segments)		
Segment Assets		
Sugar	51,367.21	42,555.89
Electricity	10,575.62	8,762.84
Petrol Pump	56.20	66.08
Industrial Alcohol	33,667.82	29,251.59
Potable Alcohol	2,367.66	2,495.09
	<b>98,034.51</b>	<b>83,131.49</b>
Add: Unallocated Corporate Assets	10,490.53	8,511.72
	<b>1,08,525.04</b>	<b>91,643.21</b>
Primary Segment Information (Business Segments)		
Segment Liabilities		
Sugar	23,976.09	22,423.31
Electricity	4,241.03	1,522.43
Petrol Pump	14.51	11.00
Industrial Alcohol	1,941.09	1,572.38
Potable Alcohol	352.89	275.53
<b>Total</b>	<b>30,525.61</b>	<b>25,804.65</b>
Add: Unallocated Corporate Liabilities	54,502.62	43,755.12
	<b>85,028.23</b>	<b>69,559.77</b>

## Notes to Financial Statement for the Financial Year Ended 31-03-2024

(Amount in Rs. Lakhs)

Particulars	Financial Year 31 <sup>st</sup> March 2024	Financial Year 31 <sup>st</sup> March 2023
<b>Note D: Other Information (Contd...)</b>		
Capital Expenditure		
Sugar	1,531.78	191.69
Electricity	456.45	8.11
Industrial Alcohol	8,321.15	4,209.07
Potable Alcohol	0.08	-
Unallocated	371.33	457.21
	<b>10,680.79</b>	<b>4,866.08</b>

## 9 Segment Reporting

## IV Primary Segment Information (Business Segments)

## Depreciation and Amortisation

Sugar	659.59	619.29
Electricity	247.42	253.80
Petrol Pump	0.09	0.04
Industrial Alcohol	1,763.96	797.36
Potable Alcohol	8.17	9.81
Unallocated	228.98	127.67
<b>Total</b>	<b>2,908.21</b>	<b>1,807.97</b>

## Non-cash expenses other than depreciation

Sugar	-	-
Electricity	-	-
Petrol Pump	-	-
Industrial Alcohol	-	-
Potable Alcohol	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

V The Company does not have any Secondary Reportable Segments.

## VI Significant Accounting Policies relating to Segment Reporting

- a. Business Segments are determined on the basis of the goods manufactured and in accordance with Ind AS 108.
- b. Inter-segment transfers are recorded at cost except for own generated Bagasse and Molasses, cost of which is unascertainable and which are recorded at Net Realisable Value.
- c. Segment report is prepared in conformity with accounting policies adopted for preparing and presenting financial statements.
- d. "Information about major customers  
Revenues (net of indirect taxes) for the year ended March 31, 2024 includes revenues aggregating to approximately Rs.75477.87 Lakhs (March 31, 2023 – Rs.42427.43 Lakhs) from Company's 5 large customers."

## Notes to Financial Statement for the Financial Year Ended 31-03-2024

(Amount in Rs. Lakhs)

Particulars	Financial Year 31 <sup>st</sup> March 2024	Financial Year 31 <sup>st</sup> March 2023
<b>Note D: Other Information (Contd...)</b>		
<b>13 Disclosure with respect to IND AS-19</b>		
<p>The Company has implemented Revised Accounting Standard - IND AS 19 on Employee Benefits and made the provisions accordingly. The disclosure as per revised IND AS-19 are produced below:</p>		
<b>a. Gratuity</b>		
<p>In accordance with the applicable laws, the Company provides for gratuity, a defined retirement plan (Gratuity Plan) covering all staff, workers and officers. The Gratuity Plan provides for, at retirement or termination of employment, an amount based on the respective employee's last drawn salary and the years of employment with the Company. The Company provides the gratuity benefit through annual contributions to a Gratuity Trust which in turn mainly contributes to Life Insurance Corporation of India (LIC) for this purpose. Under this plan, the settlement obligation remains with the Gratuity Trust. LIC administers the plan and determines the contribution premium required to be paid by the Trust. The Company has also obtained an independent actuarial valuation of the Trust's Assets and Liabilities, and accordingly, the difference has been provided by the Company. The gratuity liability has been paid by the Company in case of employees, who left during the current period.</p>		
Defined Contribution Plan:		
Contribution to Defined Contribution Plan, recognised and charged off for the year are as under:		
Employer's contribution to Superannuation Fund	32.27	30.93
Employer's contribution to Pension Scheme	139.96	145.10
Defined Benefit Plan:		
The Employees' Gratuity Fund Scheme managed by Life Insurance Corporation of India is a defined benefit plan.		
I. Changes in present value of obligations (PVO):		
PVO at the beginning of the period	3373.88	3,201.61
Interest Cost	237.58	215.61
Current Service Cost	139.47	131.28
Past Service Cost ( non vested cost )		
Past Service Cost ( vested cost )		-
Benefits Paid	(326.71)	(329.64)
Actuarial (gain) / loss on obligation	199.87	155.02
PVO at the end of the period	3,624.09	3,373.88



**Notes to Financial Statement for the Financial Year Ended 31-03-2024**

(Amount in Rs. Lakhs)

Particulars	Financial Year 31 <sup>st</sup> March 2024	Financial Year 31 <sup>st</sup> March 2023
<b>Note D: Other Information (Contd...)</b>		
II Interest Expenses		
Interest Cost	237.58	215.61
III Fair Value of Plan Assets		
Fair value of Plan Assets at the beginning	2290.32	1,870.54
Interest Income	160.54	142.70
IV Net Liability at beginning of period		
PVO at beginning of period	3,373.88	3,201.61
Fair Value of the Assets at beginning report	2,290.32	1,870.54
Net Liability at the beginning of period	1,083.56	1,331.07
V Net Interest		
Interest Expenses	237.58	215.61
Interest Income	(160.54)	(142.70)
Net Interest	77.04	72.91
VI Actual Return on Plan Assets	174.08	141.02
Interest income included above	160.54	142.70
Return on plan assets excluding interest income	13.54	(1.68)
VII Actuarial (Gain)/Loss on obligation		
Due to Demographic Assumption	84.23	-
Due to Financial Assumption	32.59	(64.93)
Due to Experience	83.04	219.95
Total Actuarial (Gain)/Loss	199.86	155.02
VIII Fair Value of Plan Assets		
Opening Fair Value of Plan Asset	2,290.32	1,870.54
Adjustment to the opening fund		-
Return on Plan Assets excl.interest income	13.54	(1.68)
Interest Income	160.54	142.70
Contributions by Employer	0	310.00
Contributions by Employee		-
Benefits Paid	(241.70)	(31.24)
Fair Value of Plan Assets at end	2,222.69	2,290.31
IX Past Service Cost Recognised		
Past Service Cost-(non vested benefits)		
Past Service Cost-( vested benefits)	-	-
Average remaining future service till vesting of the benefit.		
Recognised past service cost -non vested benefits		
Recognised past service cost - vested benefits	-	-
Unrecognised Past Service Cost-non vested benefits		

## Notes to Financial Statement for the Financial Year Ended 31-03-2024

(Amount in Rs. Lakhs)

Particulars	Financial Year 31 <sup>st</sup> March 2024	Financial Year 31 <sup>st</sup> March 2023
<b>Note D: Other Information (Contd...)</b>		
X Amount to be recognised in the Balance Sheet and Profit and Loss Account.		
PVO at end of period	3624.10	3,373.89
Fair Value of Plan Assets at end of period	2222.69	2,290.31
Net Asset/(Liability) recognised in the Balance Sheet	(1,401.40)	(1,083.58)
XI Expense recognised in the statement of P & L A/c.		
Current Service Cost	139.47	131.28
Net Interest	77.04	72.91
Past Service Cost-(non vested benefits)		
Past Service Cost-( vested benefits)		
Curtailment Effect		
Settlement Effect		
Unrecognised Past Service Cost -non vested benefits		
Expense recognised in the statement of P & L A/c.	216.51	204.19
XII Other Comprehensive Income (OCI)		
Actuarial (Gain)/Loss recognised for the period	199.87	155.02
Asset limit effect		-
Return on Plan Assets excluding net interest	(13.53)	1.68
Unrecognised Actuarial (Gain)/Loss from previous period		-
Total Actuarial (Gain)/Loss recognised in (OCI)	186.34	156.70
XIII Movements in the Liability recognised in Balance Sheet.		
Opening Net Liability	(1,083.56)	(1,331.07)
Adjustment to opening balance	-	-
Expenses as above	(216.51)	(204.19)
Benefits Paid by Company	85.00	298.40
Contribution paid	-	310.00
Other Comprehensive Income(OCI)	(186.34)	(156.70)
Closing Net Liability	(1,401.41)	(1,083.56)
XIV Schedule III of The Companies Act 2013		
Current Liability	1,401.41	1,083.56
XV Projected Service Cost 31 March 2024	151.06	139.47
Unrecognised Actuarial (Gain)/Loss from previous period		
Average remaining future service till vesting of the benefit		

**Notes to Financial Statement for the Financial Year Ended 31-03-2024**

(Amount in Rs. Lakhs)

Particulars	Financial Year 31 <sup>st</sup> March 2024	Financial Year 31 <sup>st</sup> March 2023
<b>Note D: Other Information (Contd...)</b>		
XVI Asset Information		
Cash and Cash Equivalents		
Gratuity Fund(LIC of India)	2,222.69	2,290.31
Debt Security(Gvt.Bond)		
Equity Securities -Corporate debt securities		
Other Insurance contracts		
Property		
Total itemized Assets	2,222.69	2,290.31
XVII Assumptions as at:		
Mortality		
Interest / Discount Rate	7.20%	7.40%
Rate of increase in compensation	6.00%	6.00%
Rate of return (expected) on plan assets	7.40%	7.10%
Expected average remaining service (In Years)	6.64%	10.21
<p>The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. The above information is certified by the actuary.</p>		
b. Provident Fund		
I. Changes in Present Value of expected interest rate short fall.		
Present value of expected interest rate shortfall as at the beginning of the period	9212.6	8175.30
Acquisition Adjustment		
Interest Cost	657.66	562.37
Past Service Cost	-	-
Current Service Cost	337.27	306.80
Curtailment Cost/(Credit)		
Settlement Cost/(Credit)		
Benefits Paid	(650.39)	(509.24)
Actuarial (Gain)/Loss on obligations.	72.24	72.25
Present value of expected interest rate shortfall as at the end of the period.	10221.17	9212.61
II Changes in Fair Value of plan assets.		
Fair value of plan assets at the beginning of the period.	9454.12	8503.23
Acquisition Adjustment.		
Interest Income	709.24	616.24
Contributions	324.37	306.8
Amount transferred to cover shortfall		
Amount paid on settlement		

## Notes to Financial Statement for the Financial Year Ended 31-03-2024

(Amount in Rs. Lakhs)

Particulars	Financial Year 31 <sup>st</sup> March 2024	Financial Year 31 <sup>st</sup> March 2023
<b>Note D: Other Information (Contd...)</b>		
b. Actuarial Gain/(Loss) on plan assets	(96.38)	(18.04)
Fair value of plan assets at the end of the period.	10330.45	9454.12
III Actuarial Gain/Loss recognised.		
Actuarial (Gain)/Loss for the period-obligation	10221.17	9212.61
Actuarial (Gain)/Loss for the period-plan assets	10330.45	9454.12
Total (Gain)/Loss for the period	109.28	241.51
Actuarial (Gain)/Loss recognised in the period.	109.28	241.51
Unrecognised actuarial Gain/Loss at the of period.		
IV The amount to be recognised in the Balance Sheet.		
Present value of expected interest rate shortfall as at the end of the period.	10,221.17	9,212.61
Fair value of the plan assets at the end of the period. (Surplus Account)	10330.45	9,454.11
Surplus/(Deficit)	109.28	241.51
Unrecognised actuarial (Gain)/Loss	-	-
Net asset/(liability) recognised in the Balance Sheet.	109.28	241.51
V Amount recognised in Statement of Other Comprehensive Income		
Opening amount recognised in OCI outside profit & loss account	(99.99)	(240.28)
Remeasurement for the period -Obligation (Gain)/Loss	74.51	122.24
Remeasurement for the period -Plan Assets(Gain)/Loss	96.38	18.04
Total remeasurement cost/(credit) for the period recognised in OCI	170.89	140.28
Closing amount recognised in OCI outside profit & loss account	70.89	(100.00)
VI Expenses recognised in the statement of profit & loss		
Current Service Cost	337.27	306.80
Acquisition (Gain)/Loss		
Past service cost		
Net Interest (Income) /Expense	(51.57)	(53.87)
Curtailment (Gain)/Loss		
Settlement (Gain)/Loss		
Net periodic benefit cost recognised in the statement of profit & loss at the end of the period.	285.70	252.93
VII Total Expenses recognised in the Statement Of Profit & Loss		
Expenses recognised in the statement of Profit & Loss with respect to expected interest rate shortfall	285.70	252.93
Expense relating to the contributions made by the employer	337.27	306.80
Total expense at the end of period.	(51.57)	(53.87)



**Notes to Financial Statement for the Financial Year Ended 31-03-2024**

(Amount in Rs. Lakhs)

<b>Particulars</b>	<b>Financial Year 31<sup>st</sup> March 2024</b>	<b>Financial Year 31<sup>st</sup> March 2023</b>
<b>Note D: Other Information (Contd...)</b>		
VIII Assumptions as at:		
Mortality		
Interest/Discount Rate	7.20%	7.40%
Interest rate declared by EPFO for the period.	8.25%	8.15%
Yield Spread	0.50%	0.50%
Expected Rate of Return on plan asset	7.40%	7.10%
Expected average remaining working lives of employees (in years)	9.37	18.22

## Notes to Financial Statement for the Financial Year Ended 31-03-2024

### Note D: Other Information (Contd...)

#### Disclosure of Related Parties & Related Party Transactions :

#### I Names of the related parties with whom transactions were carried out during the year and description of relationship

<b>1 Key Management Personnel (KMP)</b>	<b>Designation</b>
I Shri. Niraj Shishir Shirgaokar	... Managing Director
II Shri. Chandan Sanjeev Shirgaokar	... Managing Director
III Shri. Sohan Sanjeev Shirgaokar	... Executive Director
iv Shri. S.V.Bhat	... Manager Finance
v Shri. Tushar Deshpande (Resigned on 29.02.2024)	... Company Secretary

#### 2 Relatives of Key Management Personnel

<b>Name of the transacting related party</b>	<b>Nature of relationship</b>
I Shri. Shishir Suresh Shirgaokar	... Chairman Father of MD-Shri.Niraj S. Shirgaokar
II Sou. Savita Shishir Shirgaokar	... Mother of MD-Shri.Niraj S. Shirgaokar
iii Sou. Asawari Niraj Shirgaokar	... Wife of MD-Shri. Niraj S. Shirgaokar
iv Shri. Arjun Niraj Shirgaokar	... Son of MD-Shri. Niraj S. Shirgaokar
v Kum. Anjini Niraj Shirgaokar	... Daughter of MD-Shri. Niraj S. Shirgaokar
vi Smt. Radhika Sanjeev Shirgaokar	... Mother of MD-Shri.Chandan S. Shirgaokar
vii Sou. Geetali Chandan Shirgaokar	... Wife of MD-Shri. Chandan S. Shirgaokar
viii Kum. Swara Chandan Shirgaokar	... Daughter of MD-Shri. Chandan S. Shirgaokar
ix Sou. Gouri Sohan Shirgaokar	... Wife of ED-Shri. Sohan S. Shirgaokar.
xi Sanjeev Suresh Shirgaokar-HUF	... Smt.Radhika S. Shirgaokar is Karta or HUF, the Mother of MD Shri. Chandan S. Shirgaokar
xii Gyanshree Enterpreises	... Smt.Radhika S. Shirgaokar is the Properitor and Mother of MD Shri. Chandan S. Shirgaokar

## Notes to Financial Statement for the Financial Year Ended 31-03-2024

### Note D: Other Information (Contd...)

#### 3 Enterprises over which KMP or Relatives of KMP are able to exercise significant influence

Name of the related party	Nature of relationship
i S. B. Reshellers Pvt. Ltd.	... Shri.R.V.Shirgaokar-Brother of Director, Shri.P.V.Shirgaokar-Director, Shri. Shishir S. Shirgaokar-Chairman, Shri.Niraj S. Shirgaokar-MD, Shri.Chandan S. Shirgaokar-MD, Shri. Sohan S. Shirgaokar-ED and Shri.Sachin R. Shirgaokar Director are the Directors.
ii Sangli Fabricators Pvt Ltd	... Shri. Shishir Shirgaokar-Chairman, Shri.Chandan Shirgaokar-MD, Shri. Sohan S. Shirgaokar-ED and Shri.Sachin Shirgaokar Director's are Designated Partners.
iii Tara Tiles Pvt Ltd.	... Chairman Shri.Shishir Shirgaokar, Director Shri. P. V. Shirgaokar, Shri. Sachin R. Shirgaokar and ED Sohan S. Shirgaokar are Directors.
iv Ugar Pipe Industries Pvt. Ltd.	... Chairman Shri. Shishir S. Shirgaokar, MD- Shri. Chandan S. Shirgaokar, and Director Shri. P.V.Shirgaokar are Director.
v D.M. Shirgaokar Enterprises (LLP)	... MD-Shri. Niraj S. Shirgaokar, MD-Shri.Chandan S. Shirgaokar, ED-Shri. Sohan S. Shirgaokar, Director Shri Sachin R. Shirgaokar and Smt. Radhikar S. Shirgaokar are the Partners.
vi Shishir Shirgaokar Enterprises (LLP)	... Chairman Shri. Shishir S. Shirgaokar, MD-Shri.Niraj S. Shirgaokar, ED Shri. Sohan S. Shirgaokar, Director-P.V.Shirgaokar, Wife of Chairman and Mother of MD Mrs. Savita S. Sirgaokar and wife of MD Mrs. Asawari N. Shirgaokar are the Designated Partners.
vii Suresh Shirgaokar Enterprises (LLP)	... Chairman Shri. Shishir S. Shirgaokar, MD-Shri.Niraj S. Shirgaokar, MD-Chandan S. Shirgaoakr, ED-Shri. Sohan S. Shirgaokar, Mother of MD & ED Smt.Radhikar S. Shirgaokar Wife of Chairman and Mother of MD Mrs. Savita S. Sirgaokar are the Designated Partners.
viii Sanjeev Shirgaokar Enterprises (LLP) Pvt. Ltd.	... MD-Shri.Chandan S. Shirgaokar, ED Shri. Sohan S. Shirgaokar and Mother of both Smt. Radhika S. Shirgaokar are Designated Partners.
ix V. S. Shirgaokar Enterprises (LLP)	... Shri.R.V.Shirgaokar-Brother of Director, Shri.P.V.Shirgaokar-Director, Shri.Sachin R. Shirgaokar, Mrs. Smita P. Shirgaokar is the Wife of Director P.V.Shirgaoakr and Mrs. Laxmi S. Shirgaokar is the wife of Director Sachin R. Shirgaokar are the Designated Partners.
x Prafulla Shirgaokar Enterprises (LLP)	... Shri.R.V.Shirgaokar-Brother of Director, Shri. P. V. Shirgaokar - Director, Mrs. Smita P. Shirgaokar is the Wife of Director Shri. P.V.Shirgaoakr are the Designated Partners.
xi Synergy Green Industries Ltd.	... Chairman-Shri. Shishir S. Shirgaokar,MD-Shri. Chandan S. Shirgaoakr, ED-Shri.Sohan S. Shirgaokar, Directors Shri.Sachin R. Shirgaokar, and Dr. M.R.Desai are Directors.

## Notes to Financial Statement for the Financial Year Ended 31-03-2024

## NOTE D: Other Information (contd...)

## Disclosure of Related Parties &amp; Related Party Transactions for the period ended on 31.03.2024

Sr. No.	Nature of Transaction	Key Management Personnel		Relatives of KMP & Others		Related Parties referred to in 3 Above		Total	
		2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
1	Remuneration Paid (incl Commission)	2,621.81	1,061.90	-	6.00	-	-	2,621.81	1,067.90
2	Sitting Fees Paid	-	-	3.45	5.40	-	-	3.45	5.40
3	Purchase of Plant & Machinery & Spares	-	-	-	-	494.52	436.99	494.52	436.99
4	Sales - Others/ Consultancy	-	-	-	-	4.14	18.92	4.14	18.92
5	Exempted Deposits From Directors	500.00	500.00	50.00	50.00	-	-	550.00	550.00
6	Interest Paid	45.00	36.55	5.45	4.55	-	-	50.45	41.10
7	Dividend Paid	4.77	2.38	17.30	8.64	140.28	70.14	162.35	81.16
8	Warehousing Charges/ Rent Paid	-	-	46.22	44.16	-	-	46.22	44.16
9	Advance in the nature of reimbursement	-	1.82	-	-	-	-	-	1.82
10	Outstanding Balances as on 31.03.2024							-	-
	Payables Cr	3.38	3.38	0.57	0.50	5.24	14.02	9.19	17.90
	Receivables Dr	16.88	4.44	-	-	13.29	3.36	30.17	7.80
	<b>Total</b>	<b>3191.84</b>	<b>1,610.47</b>	<b>122.99</b>	<b>119.25</b>	<b>657.47</b>	<b>543.43</b>	<b>3972.29</b>	<b>2,273.15</b>



## Notes to Financial Statement for the Financial Year Ended 31-03-2024

## Ratios Analysis

S. No.	Ratios	Famulae	For the year ended 31 <sup>st</sup> March 2024	For the year ended 31 <sup>st</sup> March 2023	Deviation (%)	Reason for variance (where change is more than 25%)
1	Current Ratio	Current Asset/ Current liabilities	0.97	1.17	-17.09	*
2	Debt-Equity Ratio	Total Debt/Equity	2.19	1.57	39.49	Debt Equity Ratio increased due to decrease in the current year profit and also outstanding debt increased as compare to previous year.
3	Debt Service	Earning before Interest, Coverage Ratio Tax, Depreciation/ (Interest+Principal)	0.74	1.18	-37.34	Debt Service Coverage Ratio is decreased due to decrease in the current year profit.
4	Return on Equity Ratio	Net Income/Average Shareholder Equity	0.09	0.61	-84.68	Current year ratio is increased due to increase in the Profit for the Current year.
5	Inventory	Revenue from operation/Turnover Ratio Average Inventory $\{(Closing\ Inventory + Opening\ Inventory)/2\}$	35.90	31.51	13.93	*
6	Trade Rraceivables Turnover Ratio	Total Sales/Average Accounts Receivable $\{(Closing\ Accounts\ Receivable + Opening\ Accounts\ Receivable)/2\}$	7.19	13.04	-44.85	Current year there is decrease in Trade receivable and also decrease in Turnover as compared to previous year.
7	Trade Payable Turnover Ratio	Net Credit purchases/ Average account payable	6.22	5.13	21.28	*
8	Net Capital Turnover Ratio	Net annual sales/ Shareholders Equity	5.04	8.15	-38.18	Majorly due to significant decrease in sales as compared to previous year.
9	Net Profit Ratio	(Net profit Margin Revenue-Cost)/ Revenue	0.02	0.06	-68.81	Current year there is More remunerative sales mix with the share of sugar and Ethonal segment and revenue being decreased in the Ethonal segment andnet profit decreased ascompared previous year.
10	Return on Capital Employed	EBIT/Capital employed	0.23	0.53	-57.52	Current year ratio is decreased due to decrease in the Profit for the Current year.
11	Return on Investment		0.18	0.16	10.67	*

\* Variance is less than 25%

**Notes to Financial Statement for the Financial Year Ended 31-03-2024****NOTE D: Other Information (contd...)**

- 12 The amount due to Micro and Small Enterprises as defined in "The Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been Identified on the basis of information available with the Company. The disclosures relating to Micro and Small enterprises as at 31-03-2024:

S.No.	Description	31 <sup>st</sup> March 2024 Rs. Lakhs	31 <sup>st</sup> March 2023 Rs. Lakhs
i	Principal amount remaining unpaid to such suppliers as at the year end.	40.25	575.79
ii.	Interest due thereon remaining unpaid to the suppliers as at the year end.	0.33	-
iii.	Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the period.	-	-
iv.	Amount of interest due and payable for the period of delay in making payment (which have been paid, but beyond the appointed day, during the year), but without adding the interest specified under the Act.	-	-
v.	Amount of interest accrued during the year and remaining unpaid at the year end.	-	-
vi.	Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises.	-	-

13. There are no loans and advances in the nature of loans to firms / companies in which Directors of the Company are interested.

**14. FINANCIAL INSTRUMENTS****14.1 Capital Management:**

The Company's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders and maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, Company may issue new shares or sell assets to reduce debt. The capital structure of Company consists of debt and total equity of the Company.

The Company determines the amount of capital required on the basis of annual operating plans and long-term product and other strategic investment plans. The funding requirements are met through equity and borrowings. Company's policy is aimed at combination of short-term and long-term borrowings. The Company monitors the capital structure on the basis of total debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

## Notes to Financial Statement for the Financial Year Ended 31-03-2024

## NOTE D: Other Information (contd...)

## 14.2 Categories of financial instruments:

(Amount in Rs. Lakhs)

Particulars	Carrying Amount		Fair Value	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
<b>FINANCIAL ASSETS</b>				
<b>Fair value through Profit and Loss Account (FVTPL)</b>				
Investments	342.8	347.7	342.8	347.7
<b>Amortised Cost</b>				
Investments	10.77	10.87	10.77	10.87
<b>Non-Current Assets</b>				
Security Deposit	64.94	64.85	64.94	64.85
Loans and advances		–		–
<b>Current Assets</b>				
Trade receivable	14,209.78	18,730.41	14,209.78	18,730.41
Cash in hand	12.89	9.47	12.89	9.47
Balance with banks in current account	80.95	566.58	80.95	566.58
Bank balances other than above	3,968.06	1,260.95	3,968.06	1,260.95
Accrued Interest On Bank Deposits	205.19	44.32	205.19	44.32
<b>FINANCIAL LIABILITIES</b>				
<b>Amortised cost</b>				
<b>Non-Current Liabilities</b>				
Borrowing	8,364.58	14,004.32	8,364.58	14,004.32
<b>Current liabilities</b>				
Short-term Borrowing	43,019.25	20,714.03	43,019.25	20,714.03
Trade and other payables	18,500.87	15,611.66	18,500.87	15,611.66
Other Financial Liabilities	6,806.58	8,461.35	6,806.58	8,461.35

The following methods and assumptions were used to estimate the fair values:

The fair value of Trade Payables, Trade Receivables, Cash and Cash Equivalents, Other Bank Balances, Accrued interest and short term borrowings are reasonable approximation of fair value due to the short-term maturities of these instruments.

## 14.3 Fair Value Measurement

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the Ind AS 113 – Fair Value Measurement.

## Notes to Financial Statement for the Financial Year Ended 31-03-2024

### NOTE D: Other Information (contd...)

#### 14.4 Financial Risk management framework

The Company is exposed primarily to market risk, credit risk and liquidity risk which may adversely impact the fair value of its financial instruments. Company assesses the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of Company.

##### Market Risk:

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

##### Inventory Price Risk

The Company is exposed to the movement in price of principle finished product i.e. Sugar. Price of sugarcane is fixed by government. Generally, sugar production is carried out during sugarcane harvesting period from November to March. Sugar is sold throughout the year which exposes the sugar inventory to the movement in price. Company monitors the sugar price on daily basis and formulates the sales strategy to achieve maximum realisation.

##### Interest Rate Risk

Fluctuation in fair value or future cash flows of a financial instrument because of changes in market interest rate gives rise to interest rate risk. Almost all borrowings of Company have fixed interest rate and therefore the risk of interest rate change is not material to Company.

##### Credit Risk:

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. Outstanding customer receivables are regularly monitored. Company maintains its cash and cash equivalents and deposits with banks having good reputation and high quality credit ratings.

In addition, the Company is exposed to credit risk in relation to deposits related to lease premises. These deposits are not past due or impaired.

##### Liquidity Risk:

Liquidity risk refers to the risk that Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. Company manages liquidity risk by maintaining adequate reserves, banking facilities by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

##### Maturity of financial assets and liabilities:

The following tables analyses the Company's financial liabilities with agreed repayment periods and companies expected maturity for its financial assets. In case of financial liabilities, the amount disclosed in the tables below are contractual undiscounted cash flows based on the earliest date on which Company can be required to pay and in case of financial assets, the table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets



## Notes to Financial Statement for the Financial Year Ended 31-03-2024

## NOTE D: Other Information (contd...)

(Amount in Rs. Lakhs)

Particulars	March 31, 2024					
	Less than 3 months	3 to 6 months	6 month to 1 year	Between 1 and 2 year	More than 2 years	Total Mar 2024
<b>Financial Assets</b>						
<b>Non - derivative</b>						
<b>Non-Current Assets</b>						
Investments				353.57		353.57
Security Deposit	–	–	–	–	64.94	64.94
Loans and advances						
<b>Current Assets</b>						
Trade receivable		9827.95	84.16	4172.16	125.51	14209.78
Cash in hand	12.89					12.89
Balance with banks in current account	80.95					80.95
Bank balances other than above	72.01			1396.05	2500.00	3968.06
Accrued Interest On Bank Deposits	205.19					205.19
<b>Financial Liabilities Non-Current Liabilities</b>						
Long Term Borrowing				5866.27	2372.80	8364.58
<b>Current liabilities</b>						
Short-term Borrowing	38829.48	1396.59	2793.18	–	–	43019.25
Trade Payable	16514.66	–	–	13.45	216.55	16744.66
Other Financial Liabilities	6806.58	–	–	–	–	6806.58

(Amount in Rs. Lakhs)

Particulars	March 31, 2023					
	Less than 3 months	3 to 6 months	6 month to 1 year	Between 1 and 2 year	More than 2 years	Total Mar 2022
<b>Financial Assets</b>						
<b>Non - derivative</b>						
<b>Non-Current Assets</b>						
Investments				358.57		358.57
Security Deposit			–	–	64.85	64.85
Loans and advances				–		–
<b>Current Assets</b>						
Trade receivable	14,742.69	2,049.60	1,813.93	68.01	56.17	18,730.41
Cash in hand	9.47					9.47

**Notes to Financial Statement for the Financial Year Ended 31-03-2024****NOTE D: Other Information (contd...)**

Balance with banks in current account	566.58					566.58
Bank balances other than above	57.60	-	-	1,203.35		1,260.95
Accrued Interest On Bank Deposits	27.24	-	-	-	-	27.24
Financial Liabilities						
<b>Non-Current Liabilities</b>						
Long Term Borrowing				5,350.48	8,653.84	14004.32
Current liabilities						
Short-term Borrowing	17,574.32	1,046.57	2,093.14			20,714.03
Trade Payable	14,704.09			51.57	224.21	14,979.87
Other Financial Liabilities	8,461.35					8,461.35

**15. Taxes on income**

The major components of Income Tax Expense for the year ended 31<sup>st</sup> March 2024 are.

**(i) Statement of Profit or Loss**

(Amount in Rs. Lakhs)

Particulars	March 31, 2024	March 31, 2023
Current Tax	793.96	3,555.61
Short/(Excess) provision of tax for earlier years	-	-
MAT Credit entitlement for earlier year	-	-
MAT Credit entitlement for earlier year and written off	-	818.23
Deferred Tax	71.93	160.60
Total Income Tax Expense	865.89	4534.44

**(ii) Other Comprehensive Income**

(Amount in Rs. Lakhs)

Particulars	March 31, 2024	March 31, 2023
Deferred Tax relating to Net Gain/(Loss) on re-measurement of defined benefit plans	46.88	40.14

## Notes to Financial Statement for the Financial Year Ended 31-03-2024

## NOTE D: Other Information (contd...)

## (iii) Movement of deferred tax

(Amount in Rs. Lakhs)

Particulars	31-03-2024			
	Opening Balance	Recognised in profit and (Loss)	Recognised in OCI	Closing Balance
<b>Tax effect of items constituting deferred tax liabilities</b>				
Property, Plant and Equipment	(1604.86)	40.68		(1645.54)
<b>Subtotal of Deferred Tax Liabilities</b>	<b>(1604.86)</b>	<b>40.68</b>		<b>(1645.54)</b>
<b>Tax effect of items constituting deferred tax assets</b>				
Provisions	43.73	22.89	–	66.61
Other Items	514.14	40.75	(46.88)	508.01
<b>Subtotal of Deferred Tax Asset</b>	<b>557.87</b>	<b>63.64</b>	<b>(46.88)</b>	<b>574.62</b>
<b>Net Deferred Tax Asset/ (Liabilities)</b>	<b>(1046.99)</b>	<b>22.96</b>	<b>(46.88)</b>	<b>(1070.92)</b>

## (iv) Movement of deferred tax

(Amount in Rs. Lakhs)

Particulars	31-03-2023			
	Opening Balance	Recognised in profit and (Loss)	Recognised in OCI	Closing Balance
<b>Tax effect of items constituting deferred tax liabilities</b>				
Property, Plant and Equipment	(1871.43)	266.57	–	(1604.86)
<b>Subtotal of Deferred Tax Liabilities</b>	<b>(1871.43)</b>	<b>266.57</b>	<b>–</b>	<b>(1604.86)</b>
<b>Tax effect of items constituting deferred tax assets</b>				
Provisions	187.05	(143.32)	–	43.73
Other Items	757.63	(203.34)	(40.14)	514.14
<b>Subtotal of Deferred Tax Asset</b>	<b>944.67</b>	<b>(346.66)</b>	<b>(40.14)</b>	<b>557.87</b>
<b>Net Deferred Tax Asset/ (Liabilities)</b>	<b>(926.76)</b>	<b>(80.09)</b>	<b>(40.14)</b>	<b>(1046.99)</b>

## Notes to Financial Statement for the Financial Year Ended 31-03-2024

## NOTE D: Other Information (contd...)

- (v) The reconciliation of estimated income tax expense at Indian Statutory income tax rate to income tax expense reported in Statement of Profit or Loss is as follows:

Particulars	2023-24	2022-23
Profit before tax	2980.14	14,839.24
Indian statutory income tax rate	25.16%	25.16%
Expected tax expenses	749.80	3733.55
Tax Effect of adjustments to reconcile expected income tax expenses to reported income tax expense		
Effect of carried forward losses as per IT Act.	-	-
Tax rate difference on book profit as per Minimum Alternative Tax	-	-
Tax Expenses accounted as effect of on Timing difference	116.09	(17.34)
Others(net)	-	-
<b>Total tax expense</b>	<b>865.89</b>	<b>3716.21</b>

16. The Company formed CSR committee as constituted pursuant to Companies Act 2013. During the year under review the Company has spent of Rs151.27 Lakhs.

17. Details of Benami Property held :

The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

18. Details of Loans and advances :

Loans and advances granted to promoters, directors, key managerial personnel (KMPs) and the related parties which are repayable on demand or without specifying any terms or period of repayment.

Type of borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total loans and advances in the nature of loans
Promoters	NA	NA
Directors	NA	NA
KMPs	NA	NA

19. Wilful Defaulter :

The Company has not been declared as a wilful Defaulter by any Financial Institution or bank as at the date of Balance Sheet.

20. Relationship with Struck off Companies :

The Company do not have any transactions with companies struck off.



**Notes to Financial Statement for the Financial Year Ended 31-03-2024****NOTE D: Other Information (contd...)**

## 21. Registration of charges or satisfaction with Registrar of Companies (ROC)

The Company have complied Registration of charges or Satisfaction with Registrar of Companies (ROC).

## 22. Compliance with number of layers of companies

The Company has complied with the provision of the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

## 23. Compliance with approved Scheme(s) of Arrangements

There are no Schemes of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

## 24. Discrepancy in utilization of borrowings

The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date. There are no discrepancy in utilisation of borrowings.

## 25. Utilisation of Borrowed funds and share premium:

- (A) The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries).
- (B) the Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party).

The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding that the intermediary shall:

- a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries); or
- b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;

The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or;
- b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

**Notes to Financial Statement for the Financial Year Ended 31-03-2024**

**NOTE D: Other Information (contd...)**

**Additional Information**

26. Undisclosed income

The Company has no transaction that is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

27. Details of Crypto Currency or Virtual Currency :

The Company has not traded or invested in Crypto currency or Virtual Currency.

28. The Board has approved the scheme of merger between The Ugar Sugar Works Limited and Ugar Theaters Pvt. Ltd. The Company has filed a merger petition at Mumbai Bench. of NCLT. The final order is received from the NCLT.

29. The Board has recommended dividend @ 25% (Rs.0.25 per share) subject to approval of Shareholder at Annual General Meeting.

29. Figures of the previous year have been regrouped / rearranged / recast where necessary.

As per our separate report of even date.  
For **M/s Kirtane & Pandit LLP**  
Chartered Accountants  
Firm Regn. No. 105215W/W100057

**Parag Pansare**  
Partner  
Memb. No. 117309

Place : Ugarkhurd  
Date : 28-05-2024

**Niraj S. Shirgaokar**  
Managing Director  
(DIN-00254525)

**Shrikanta V. Bhat**  
Manager-Finance  
(ACA-222060)

Place : Ugarkhurd  
Date : 28-05-2024

**Chandan S. Shirgaokar**  
Managing Director  
(DIN-00208200)

### The Progress of Your Company for last 25 Years

Year Ending		Total Income	Reserves and Surplus	Fixed Assets	Rate of Dividend	Cane Crushed	Sugar Produced
		Rs. Lakh	Rs. Lakh	Rs. Lakh	%	MT	Qtls
<b>30<sup>th</sup> September</b>							
1	2000	26,681.52	2,714.81	6,519.12	30%	14,25,023	17,16,100
2	2001	25,464.73	4,113.77	5,818.56	35%	11,89,443	14,82,057
3	2002	23,511.06	3,609.39	8,666.63	10%	12,22,416	14,32,455
4	2003	24,575.99	3,489.30	7,968.82	Nil	14,67,798	17,24,490
5	2004	20,287.75	4,201.60	8,043.91	30%	8,37,383	8,76,430
6	2005	29,822.75	4,815.51	7,402.30	20%	10,46,480	11,63,180
7	2006	48,197.14	5,402.95	10,664.00	20%	18,76,166	21,87,595
<b>31<sup>st</sup> March</b>							
8	2007	30,569.86	5,579.49	16,762.13	Nil	16,68,394	19,40,351
9	2008	38,257.74	6,513.81	21,241.75	20%	19,49,390	22,11,445
10	2009	41,556.72	9,246.67	21,581.40	25%	13,19,427	14,68,445
11	2010	56,651.44	7,243.02	19,615.01	Nil	15,75,618	17,86,430
12	2011	63,331.97	7,644.60	17,524.51	Nil	17,16,325	19,40,680
13	2012	66,306.29	9,026.96	15,721.77	25%	19,43,592	22,51,160
14	2013	72,331.18	10,508.73	17,603.82	20%	15,03,593	15,83,700
15	2014	65,221.14	7,532.86	15,990.48	Nil	17,24,930	19,56,070
16	2015	65,553.46	7,170.38	17,146.16	Nil	20,07,570	23,09,560
17	2016	84,612.92	7,960.15	16,066.94	25%	20,66,671	23,23,030
18	2017	59,381.80	10,302.83	16,751.73	20%	9,92,467	10,51,815
19	2018	80,191.41	3,408.38	16,443.14	Nil	21,29,061	24,02,026
20	2019	91,217.29	3,988.28	15,227.06	Nil	19,30,354	22,79,090
21	2020	1,01,381.75	5,236.63	13,654.27	10%	16,40,957	17,90,939
22	2021	1,12,381.68	6,815.18	12,932.92	20%	22,87,128	26,40,560
23	2022	1,30,382.05	10,919.32	22,930.83	25%	27,52,249	31,08,540
24	2023	1,94,655.94	20,942.75	25,989.75	50%	24,85,929	17,39,580
24	2024	1,31,031.60	23,745.29	33,299.81	25%	20,86,904	15,11,020

**Notes:**

- Bonus shares of the value of Rs. 7.47 lakh, Rs. 10.65 lakh, Rs. 16.82 lakh, Rs. 50.00 lakh, Rs. 75.00 lakh and Rs. 337.50 lakh were issued as fully paid bonus shares, respectively in the years 1950-51, 1966-67, 1973-74, 1994-95, 1997-98 and 2004-05, by capitalization of reserves.
- Total Income includes value of sales, income from bye-products and other income, and adjustments in the value of opening and closing stocks of finished goods.
- Figures relating to FY ended 2005-06, 2006-07 includes figures of Tasgaon and Phaltan and Since 2008-09 to till 2023-24 includes figures of Jewargi unit.

# HAPPY RETIREMENT



Dr. M. R. Desai  
Director



Mr. V. Balsubramanian  
Director



Mr. Rakesh Kapoor  
Director



Mr. D. B. Shah  
Director

**The company expresses their deepest gratitude and appreciation for your contributions, direction, and guidance during your tenure as Independent Directors**



