THE UGAR SUGAR WORKS LIMITED.

Works : Ugar Khurd – 591 316, Dist Belgaum, Karnataka
E-mail : helpdesk@ugarsugar.com
Regd. Office : Mahaveernagar, Sangli – 416 416, Maharashtra.
E-mail : usw.sangli@ugarsugar.com.
Phone : +91 8339 274000 (5 Lines) Fax : +918339 272232
Website : www.ugarsugar.com
Phone : +91 233 2623717, 2623716 Fax : +91 233 2623617
TIN No. : 29520007001, PAN-AAACT7580R
GSTIN : 29AAACT7580R1ZD. ECC No.AAACT7580 RXM001.
(CIN – L15421PN1939PLC006738)

Sec,

Date: 01/09/2020

To,
The Executive Director,
Bombay Stock Exchange Ltd.,
P J Towers, Dalal Street,
Mumbai.
Tel No: (022) 22721234
Fax No: (022) 22721278/22722039
Stock Code: 530363

To,
Corporate Communications
National Stock Exchange of India Ltd.
Exchange Plaza, Plot no. C/1, G Block
Bandra-Kurla Complex, Bandra (E)
Mumbai - 400 051 Tel No: (022) 26598148 Fax No: (022) 26598120
Stock Code: UGARSUGAR

Sub: Submission of Annual Report 2019-20 (Including Notice of AGM)

Ref: Disclosure under SEBI(LODR) Regulations, 2015

Please find enclosed herewith the following documents being dispatched/Sent to the Shareholders in the Permitted mode:-

1. Notice of 80th Annual General Meeting (AGM) of the Company scheduled to be held on **23rd September, 2020.**
2. Annual Report 2019-20

The above documents are also uploaded on the website of the Company Viz. www.ugarsugar.com

This is for your information and information of investors.

Thanking you,
Yours faithfully,
For The Ugar Sugar Works Ltd.

B G KULKARNI
GM Corporate Affair & Company Secretary

80th ANNUAL REPORT

2019-2020

The Ugar Sugar Works Limited

Available on Flipkart and Tata Cliq

THE UGAR SUGAR WORKS LIMITED

CIN: L15421PN1939PLC006738

80TH ANNUAL REPORT 2019-20

Name	Designation
Shri. R. V. Shirgaokar	Chairman Emeritus

BOARD OF DIRECTORS
(As on 14-08-2020)

Sr. No.	Name	Designation
1	**Mr. P. V. Shirgaokar**	Chairman
2	**Mr. Shishir S. Shirgaokar**	Non Executive Director
3	**Mr. V. Balasubramanian** (I.A.S. Retired)	Independent Director
4	**Dr. M. R. Desai**	Independent Director
5	**Mr. Shripad S. Gangavati**	Independent Director
6	**Mr. D. B. Shah**	Independent Director
7	**Mr. Rakesh Kapoor**	Independent Director
8	**Mrs. Suneeta S. Thakur**	Independent Director
9	**Mr. Hari Y. Athawale**	Independent Director
10	**Mr. Sachin R. Shirgaokar**	Non Executive Director
11	**Mr. Sohan S. Shirgaokar**	Non Executive Director
12	**Mrs. Shilpa Kumar**	Non Executive Woman Director
13	**Mr. Niraj S. Shirgaokar**	Managing Director
14	**Mr. Chandan S. Shirgaokar**	Managing Director

GM Corporate Affairs & Company Secretary Compliance Officer

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

Auditors

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

CONTENTS

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

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

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

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

Plants: Ugar Khurd and Malli (Jewargi)

Bankers

Central Bank of India
Bank of Baroda
Bank of India
Union Bank of India

ANNUAL GENERAL MEETING

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

THE UGAR SUGAR WORKS LIMITED

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

NOTICE

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

Ordinary Business:

1. **To receive, consider and adop**t

   a) The audited Balance Sheet as on 31st March, 2020 and the Statement of Profit and Loss Account, Cash Flow Statement for the year ended as on that date and the Reports of the Directors, Report on Corporate Governance and Auditors thereon, and

   b) The Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2020, together with the Report of the Auditors thereon.

2. To declare dividend.

3. To appoint a Director in place of Mr. Prafulla Vinayak Shirgaokar (DIN NO- 00151114) who retires by rotation and being eligible, offers himself for re-appointment.

4. To appoint a Director in place of Mrs. Shilpa Kumar (DIN NO- 02404667) who retires by rotation and being eligible, offers herself for re-appointment.

Special Business:

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

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

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

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

6. To consider and if thought fit, to pass, with or without modification(s), following resolution as an Ordinary Resolution.

   "Resolved that, pursuant to the provisions of section 148 of the Companies Act, 2013 and the relevant Rules, Mr. Vikas Vinayak Deodhar, Practicing Cost Accountant, Mumbai, (M. No. 3813) who was appointed by the Board of Directors of the Company in their meeting held on 26th June, 2020 as a Cost Auditor, to audit the cost records, as may be ordered by the Central Government, on a remuneration of Rs. 2,30,000 (Rupees Two Lakh Thirty Thousand only) plus reimbursement of out of pocket expenses plus Taxes as applicable, for the Financial Year 2020-21 be and is hereby ratified.

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

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

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

Date : 14-08-2020

NOTES

i. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its Circular No. 20 dated May 5, 2020 read with Circular No. 14 dated April 8, 2020 and Circular No. 17 dated April 13, 2020 (hereinafter collectively referred to as "MCA Circulars") permitted the holding of Annual General Meeting through VC or OAVM without the physical presence of Members at a common venue. In compliance with these MCA Circulars and the relevant provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Annual General Meeting of the Members of the Company is being held through VC/OAVM.

ii. Pursuant to the provisions of the Companies Act, 2013, a Member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the Annual General Meeting and hence the Proxy Form and Attendance Slip are not annexed to the Notice

iii. Members attending the meeting through VC/OAVM shall be counted for the purposes of reckoning the quorum under Section 103 of the Companies Act, 2013.

iv. Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy (PDF/JPEG Format) of its Board Resolution or governing body Resolution/Authorization etc., authorising its representative to attend the Annual General Meeting through VC/OAVM on its behalf and to vote through remote e-voting.The said Resolution/Authorization shall be sent through email to the Company at evoting@ugarsugar.com and to the Scrutinizer at abhaygulavani@rediffmail.com

v. During the AGM, Members may access the scanned copy of Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Act on the website of the Company

vi. The Register of Members and Share Transfer Books shall remain closed from 12th September 2020 to 23rd September 2020 (both days inclusive) for the purpose of AGM and Dividend.

vii. The members who have not yet encashed their dividend warrants for the years 2012-13, 2015-16 and 2016-17 are advised to forward such warrants / request to the Registered Office of the Company for obtaining cheques in lieu thereof. (The Company has not declared any dividend for the year 2013-14, 2014-15, 2017-18 and 2018-19.)

viii. Pursuant to provisions of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended from time to time, Company was required to transfer the Shares in respect of which Dividend has not been paid / claimed for seven consecutive years or more to IEPF Authority up to the financial year ended 2012-13. Accordingly Company has to transfer the equity shares to IEPF Authorities Demat Account

ix. The Statement setting out the material facts pursuant to Section 102(1) of the Companies Act, 2013(the Act), Special Business Nos.5 & 6 in the Notice and is annexed hereto and forms part of this Notice.

x. Permanent Account Number(PAN)

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

xi. Incase 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 7days in advance of the date of the meeting at evoting@ugarsugar.com so that the information can be made available at the time of the meeting.

xii. The Notice of the Annual General Meeting along with the Annual Report for the financial year 2019-20 is being sent only by electronic mode to those Members whose email addresses are registered with the Company/Depositories in accordance with the aforesaid MCA Circulars and circular issued by SEBI dated May 12, 2020. Members may note that the Notice of Annual General Meeting and Annual Report for the financial year 2019-20 will also be available on the Company's website www.ugarsugar.com; website of the Stock Exchanges i.e. BSE Limited at www.bseindia.com.,www.nseindia.com Members can attend and participate in the Annual General Meeting through VC/OAVM facility only.

xiii. Those shareholders who have not registered their email address with their depository participant or wish to update a fresh email address may do so by approaching their respective depository participant. Alternatively, by submitting the enclosed E-mail Registration cum- Consent Form to the Company or the Registrar and Transfer Agent of the Company consenting to send the Annual Report and other documents in electronic form at the said e-mail address.

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

xiv. Voting through electronic means:

I. In compliance with the provisions of Section 108 of the Companies Act, 2013, (the Act), read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as substituted by the Companies (Management and Administration) Rules, 2015, Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (the Regulations) and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, the Company is pleased to provide to the members the facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM("remote e-voting") is provided by Link Intime India Pvt. Ltd.

II. The remote e-voting period commences on 20thday of September, 2020(9:00 a.m. IST) and ends on 22nd day of September, 2020(5:00 p.m. IST). During this period, members' of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date of 16th day of September, 2020 may cast their vote by remote e-voting. The remote e-voting module shall be disabled by Link Intime India Pvt. Ltd for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

III. The process and manner for remote e-voting is asunder:

❖ Log-in to e-Voting website of Link Intime India Private Limited (LIIPL)

1. Visit the e-voting system of LIIPL. Open web browser by typing the following URL: https://instavote.linkintime.co.in.
2. Click on "Login" tab, available under 'Shareholders' section.
3. Enter your User ID, password and image verification code (CAPTCHA) as shown on the screen and click on "SUBMIT".
4. Your User ID details are given below:

a. Shareholders holding shares in demat account with NSDL: Your User ID is 8 Character DP ID followed by 8 Digit Client ID

b. Shareholders holding shares in demat account with CDSL: Your User ID is 16 Digit Beneficiary ID

c. Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID isEvent No + Folio Number registered with the Company

5. Your Password details are given below:

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

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

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

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

	For Shareholders holding shares in Demat Form or Physical Form
PAN	Enter your 10digit alpha-numeric PAN issued by Income Tax Department (applicable for both demat shareholders as well as physical shareholders). • Members who have not updated their PAN with depository Participant or in the company record are requested to use the sequence number which is printed on the email notice indicated in the PAN Field.
DOB/ DOI	Enter the DOB (Date of Birth)/ DOI (Date of Incorporation) as recorded with depository participant or in the company record for the said demat account or folio number in dd/mm/yyyy format.
Bank Account Number	Enter the Bank Account number (last four digits) as recorded in your demat account or in the company records for the said demat account or folio number. • Please enter the DOB/ DOI or Bank Account number in order to register. If the above mentioned details are not recorded with the depository participants or company, please enter Folio number in the Bank Account number field as mentioned in instruction (iv-c).

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

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

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

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

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

❖ **Cast your vote electronically**

6. After successful login, you will be able to see the notification for e-voting on the home page of INSTA Vote. Select/ View “Event No” of the company, you choose to vote.

7. On the voting page, you will see “Resolution Description” and against the same the option “Favour/ Against” for voting.

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

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

8. If you wish to view the entire Resolution details, click on the 'View Resolutions’ File Link.

9. After selecting the appropriate option i.e. Favour/ Against as desired and you have decided to vote, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “YES”, else to change your vote, click on “NO” and accordingly modify your vote.

10. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

11. You can also take the printout of the votes cast by you by clicking on “Print” option on the Voting page.

❖ **General Guidelines for shareholders:**

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

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

- During the voting period, shareholders can login any number of time till they have voted on the resolution(s) for a particular “Event”.

- Shareholders holding multiple folios/demat account shall choose the voting process separately for each of the folios/demat account.

- In case the shareholders have any queries or issues regarding e-voting, please refer the Frequently Asked Questions (“FAQs”) and Instavote e-Voting manual available at https://instavote.linkintime.co.in, under Help section or write an email to enotices@linkintime.co.in or Call us :- Tel : 022 - 49186000.

xv. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting. The cut-off date for determining eligibility of the member for e-voting is 16th September, 2020.

xvi. A person, who is not a member as on the cut-off date, should treat this Notice for information purpose only.

xvii. Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 16th September, 2020, may obtain the login ID and password by sending a request to the Company at evoting@ugarsugar.com or to RTA at umesh.sharma@linkintime.co.in. However, if you are already registered with Link Intime India Pvt. Ltd. for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/ Password” option available onhttps://instavote.linkintime.co.in.

xviii. Abhay Gulavani Practicing Company Secretary, Sangli, has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.

xix. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall not make later than three days of the conclusion of the AGM, a consolidated Scrutinizer’s Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

xx. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company, vizwww.uagsrsugar.com and on the website of Link Intime India Private Limited (https://instavote.linkintime.co.in)immediately after the declaration of result by the Chairman or a person authorised by him in writing.The results shall also be immediately forwarded to the BSE Limited and Nse Ltd Mumbai.

xxi. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice

Instructions for Shareholders/Members to Attend the Annual General Meeting through InstaMeet:

Instructions for Shareholders/Members to attend the Annual General Meeting through InstaMeet (VC/OAVM) are as under:

1) Shareholders/Members are entitled to attend the Annual General Meeting through VC/OAVM provided by Link Intime by following the below mentioned process. Facility for joining the Annual General Meeting through VC/OAVM shall open 15 minutes before the time scheduled for the Annual General Meeting and will be available to the Members on first come first serve basis.

Shareholders/Members are requested to participate on first come first serve basis as participation through VC/OAVM is limited and will be closed on expiry of 15 (fifteen) minutes from the scheduled time of the Annual General Meeting. Shareholders/Members with >2% shareholding, Promoters, Institutional Investors, Directors, KMPs, Chair Persons of Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Auditors etc.may be allowed to the meeting without restrictions of first-come-first serve basis. Members can log in and join 15 (fifteen) minutes prior to the schedule time of the meeting and window for joining shall be kept open till the expiry of 15 (fifteen) minutes after the schedule time. Participation is restricted upto1000 members only.

Shareholders/Members will be provided with InstaMeet facility wherein Shareholders/ Member shall register their details and attend the Annual General Meeting as under:

1. Open the internet browser and launch the URL for InstaMeet<<https://instameet.linkintime.co.in>> and register with your following details:

   a. DP ID / Client ID or Beneficiary ID or Folio No.: Enter your 16 digit DP ID / Client ID or Beneficiary ID or Folio Number registered with the Company

   b. PAN: Enter your 10 digit Permanent Account Number (PAN)

c. Mobile No.

d. Email ID

2. Click “Go to Meeting”

Note: Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-FI or LAN connection to mitigate any kind of aforesaid glitches.

In case the shareholders/members have any queries or issues regarding e-voting, you can write an email to instameet@linkintime.co.inor Call us: - Tel: (022-49186175)

Instructions for Shareholders/Members to register themselves as Speakers during Annual General Meeting:

Shareholders/ Members who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request mentioning their name, demat account number/folio number, email id, mobile number at evoting@ugarsugar.com from 9.00 a.m. of 17th September 2020 to 5.00 p.m. of 19th September, 2020 (Date & Time) (preferably 3 days or 72 hrs. prior to the date of AGM).

The Speakers on first come basis will only be allowed to express their views/ask questions during the meeting.

Shareholders/ Members, who would like to ask questions, may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at evoting@ugarsugar.com on or before 19th September, 2020. The same will be replied by the company suitably.

Note:

Those shareholders/members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time for the Annual General Meeting.

Shareholders/ Members should use camera and are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Instructions for Shareholders/Members to Vote during the Annual General Meeting through InstaMeet:

Once the electronic voting is activated by the scrutiniser during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting “Cast your vote”.
2. Enter Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMeet and click on 'Submit'.
3. After successful login, you will see “Resolution Description” and against the same the option “Favour/ Against” for voting.

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

   Enter the number of shares (which represents no. of votes) as on the cut-off date under ‘Favour/Against'.

5. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on “Save”. A confirmation box will be displayed. If you wish to confirm your vote, click on “Confirm”, else to change your vote, click on “Back” and accordingly modify your vote.

6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

   Note: Shareholders/ Members, who will be present in the Annual General Meeting through InstaMeet 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 facility during the meeting.

   Shareholders/ Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

   In case the shareholders/members have any queries or issues regarding e-voting, you can write an email to instameet@linkintime.co.in or Call us: - Tel: (022-49186175)

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

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

Date : 14-08-2020

Regd. Office: Mahaveer Nagar,
Sangli – 416416.

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 14th August 2020 and should be taken as forming part of it.

Item No.5:

Mr. Prafulla V Shirgaokar (DIN: 00151114) retire 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, Regulation 17 of SEBI (Listing obligations and disclosure requirements) Regulations, 2015 requires approval of General body a special resolution for his continuation.

Mr. Prafulla V Shirgaokar (DIN: 00151114) has vast experience of working in the sugar industry. He has worked as an Executive Director of the company from 2005 to 2008, as a Managing Director from 2008 to 2010, as an Executive Vice Chairman from 2010 to 2015 and presently he is a Chairman of the Company since 2015.

Mr. Prafulla V 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, considering his seniority, role played by Mr. Prafulla V 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. Prafulla V Shirgaokar as a Non-Executive Director, from 01st April 2019 liable to retire by rotation as set out at Resolution No.1 of the Notice.

Other than Mr. Prafulla V Shirgaokar and Mrs. Shilpa Kumar 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.5 of this Notice.

Item No. 06:

- Approval / ratification of Remuneration to Cost Auditor:

The Audit Committee & the Board of Directors in their meeting held on 26th June 2020, have approved the appointment of Cost Auditor Mr. Vikas V. Deodhar, for the Financial Year 2019-20 on a remuneration of Rs. 2.30 Lakh (Rupees Two Lakh Thirty thousand 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 remuneration is proposed for your approval.

Memorandum of Interest:

None of the Directors are deemed to be interested in the resolution No.06

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

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

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

Date : 14-08-2020

Regd. Office: Mahaveer Nagar,
Sangli – 416416.

DIRECTORS' REPORT

DEAR SHAREHOLDERS,

Your Directors have pleasure in presenting their 80th Annual Report together with the Audited Financial Statements for the period ended 31st March, 2020.

GENERAL:

All India Production of Sugar for the Season 2019-20 is expected to reach 282 Lakh tonnes, as compared to the previous year's production of 330 Lakh tonnes. The Government of India in order to control the falling sugar prices has re-introduced release mechanism for sell of Sugar and has also presently declared minimum selling price at Rs.31/- per kg which is likely to be increased to Rs. 32 to 33.

Our total crushing of sugar cane at Ugar and Jewargi, during the season 2019-20 was 16.41 Lakh MT, bagging 17.48 Lakh Qtls Sugars.

FINANCIAL RESULTS:

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

Particulars	**31.03.2020 Rs. in Lakh**	*31.03.2019 Rs. in Lakh*
Total Revenue	101382.38	*91216.69*
Total Expenditure (excluding Depreciation & Amortisation)	98617.29	*89123.92*
Profit before Depreciation & Amortisation	2765.91	*2092.77*
Depreciation & Amortisation	1374.55	*1545.39*
Profit Before Tax / (Loss) & Exceptional items	1390.54	*547.38*
Provision for Tax, (including deferred tax adjustment, short provision for tax) / MAT Credit entitlement	14.00	*112.84*
Profit after Tax / Net Profit / (Loss)	1376.54	*434.54*
Other Comprehensive Income	(126.86)	*145.34*
Total Comprehensive Income for the period (Comprising Profit (Loss) and other Comprehensive Income for the period)	1249.69	*579.88*
Earnings Per Share (EPS)	1.22	*0.39*

During this year Company has achieved recovery of 10.76% at Ugar and 9.80% at Jewargi. With better price realization and increase in minimum selling price from Rs.29 to Rs.31 during the year, the Company has shown a net profit of Rs. 1376.54 Lakhs. Central Government is taking various measures to stabilize the sugar price]

Transfer to Reserve: - No amount has been transferred to Reserve for the financial year 2019-20

DIVIDEND: Your Directors are pleased to recommend a dividend @ 10% (i.e 10 Paise Per Share) for the Current Financial Year 2019-20

OPERATIONS:

SUGAR AT UGAR:

Particulars	Sugar Season 2019-20	*Sugar Season 2018-19*
Date of beginning of crushing season	14-11-2019	*23-11-2018*
Date of ending of crushing season	08-03-2020	*09-03-2019*
Number of Working Days	115	*107*
Sugar Cane Crushed (Lakh MT)	14.02	*15.98*
Recovery	10.76%	*12%*
Sugar Produced (Lakh Qtls.)	15.21	*19.25*

SUGAR AT JEWARGI :

Particulars	Sugar Season 2019-20	*Sugar Season 2018-19*
Date of beginning of crushing season	17-11-2019	*14-11-2018*
Date of ending of crushing season	08-03-2020	*27-02-2019*
Number of Working Days	112	*105*
Sugar Cane Crushed (Lakh MT)	2.38	*3.32*
Recovery	9.80%	*10.45%*
Sugar Produced (Lakh Qtls.)	2.33	*3.51*

DISTILLERY, IML PRODUCTION & ELECTRICITY GENERATION :

Particulars	Unit	Financial Year 2019-20	*Financial Year 2018-19*
Rectified Spirit Produced (Lakh BL)	Ugar	130.05	*153.04*
Denatured Spirit Produced (Lakh BL)	Ugar	61.19	*74.07*
Potable Alcohol Produced (Lakh BL)	Ugar	57.81	*61.99*
Electricity Generated (Lakh KW)	Ugar	1042.95	*1149.15*
Electricity Exported (Lakh KW)	Ugar	552.27	*610.30*
Electricity Generated (Lakh KW)	Jewargi	230.42	*279.90*
Electricity Exported (Lakh KW)	Jewargi	139.79	*168.58*

Your Directors expect to procure about 19 to 21 Lakh MT sugarcane at Ugar and Jewargi Units during 2020-21 crushing season.

ENVIRONMENTAL SAFETY:

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

FIXED DEPOSITS:

The Company has not accepted fresh deposits from public pursuant to Section 73 or 76 of the Companies Act, 2013 read with The Companies (Acceptance of Deposits) Rules, 2014. However,1 (one) Depositors, who have not claimed his deposit after maturity as on 31st March, 2020 and the amount outstanding as on that date, was Rs.2.55 Lakh. These amounts are lying with the Company as there is litigation in Sangli Civil Court amongst the heirs about the true ownership of the deposit. As and when court order is received, amount will be paid.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:

Company has not advanced any loans pursuant to Section 186 of the Companies Act, 2013. The Guarantees given to the financial institutions amounting to Rs.71.25 Cr. to Canara Bank and Rs.25 Cr. to Union Bank of India. 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.

DIRECTORS RETIRE BY ROTATION:

- Shri. Prafulla V. Shirgaokar, age 81 years, is liable to retire by rotation at this AGM & being eligible offers himself for reappointment. Being a fit and proper person Board intends to reappoint him as a Director.

- Mrs. Shilpa Kumar aged 53 years, is liable to retire by rotation at this AGM & being eligible offers herself for reappointment. Being a fit and proper person Board intends to reappoint her as a Director.

- All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 46 of SEBI (Listing Obligations and Disclosures Requirements) Regulation 2015. The details of appointment of independent Directors are disclosed on Company's website with following linkwww.ugarsugar.com

  http://web.ugarsugar.com/Investor_Relations/Corporate_Announcements.asp?child=3&parent=7

- **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 of its own performance, 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 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

- **Meetings:**

  During the year, Four 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.

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 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 case of 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 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 Bombay Stock Exchange Ltd., and National Stock Exchange of India Ltd., We are regularly and timely complying with the requirements as per the Listing Agreement. Company has paid the Annual Listed Fees for the Financial Year 2019-20. As required by SEBI Guidelines, a Corporate Governance Report is annexed.

CO-GENERATION AT UGAR & JEWARGI:

During this year electricity generated was 1429.05 Lakh KW of which we have exported 692.06 Lakh KW through, HESCOM, BESCOM, CESCOM, MESCOM and GESCOM by consuming 3.10 Lakh MT of Bagasse.

DISTILLERY:

The production of Rectified Spirit was 130.05 Lakh BL, as compared to 153 Lakh BL during the previous year. During the year under review, we have supplied 61.18 Lakh BL ethanol to the Oil Companies. The production at distillery was affected as the distillery was closed due to draught conditions in May and June and flood in July and August.

INDIAN MADE LIQUOR (IML) AT UGAR:

The Company has manufactured 6.69 Lakh cases at Ugar during this year as against 7.16 Lakh cases during the previous year. Company has continued bottling of its products at M/s. K. S. Distilleries and M/s. SDF Industries.

DEMATERIALIZATION OF SHARES:

Our Company has provided connectivity with NSDL & CDSL for dematerialization of its shares for trading in electronic form under ISIN-No: INE071E01023. So far 9, 41, 38,978. Equity shares have been dematerialized by the shareholders, i.e.83.70% of total shareholding as on 31st March, 2020. The annual fees of depositories for the FY 2019-20 have been paid by the Company.

CONSERVATION OF ENERGYAND PARTICULARS OF EMPLOYEES:

Particulars pertaining to conservation of energy, technology absorption and foreign exchange earnings and outgo have been given under Annexure I. The disclosures as required under Section 134(3) (m) of the Companies Act, 2013, read with Rule, 8 of The Companies (Accounts) Rules, 2014 have been given under Annexure II. Both the annexure form part of this report.

Non material Subsidiary Company
UGAR THEATRE PVT. LTD.

Ugar Theatre Pvt Ltd was incorporated on 29-11-1977, with an intention to exhibit films for the Ugar people. With increased media facilities, the film exhibition has become un-remunerative, 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 facility to others. It has become subsidiary of our company during the year. It is a non remunerative subsidy. The accounts have been consolidated with our company. AOC -1 form is annexed.

QUALIFYING REMARKS IN AUDITORS' REPORT:

There are no qualifying remarks in the Statutory Auditors Report.

There are no qualification remarks in the Secretarial Auditor Report;

He has made following observation in his report.

i) Company has conducted Postal Ballot vide Notice Dt 22-05-2019, for passing of the Special Resolutions Pursuant to Regulation 17(1A) of SEBI (LODR) 2015 regulations for continuation of appointment of non-executive Directors of the Company above the age of 75 years w.e.f. 01-04-2019 till the date of their appointment. Results of Postal Ballot for passing of special resolutions were declared on 11th July, 2019.

   We have to clarify that the approval has been given by general body retrospectively from 01/04/2019.

AUDITORS:

Statutory Auditors

The Company's Auditors, M/s. Kirtane & Pandit LLP, Chartered Accountants, having FRN-105215W were appointed in 77th Annual General Meeting for a term of five years no ratification is required every year. They have confirmed their eligibility under Section 141 of the Companies Act, 2013 for financial year 2020-21. 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 Mr. V. V. Deodhar, Cost Accountant, Mumbai (Membership No. 3813) on the recommendation of the Audit Committee, to audit the cost accounts of the Company for the financial year 2020-21 on a remuneration of Rs.2,30,000/- 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

Secretaries in Practice, Miraj (Membership No A28983) to undertake the Secretarial Audit of the Company who has consented to the same. The Report of the Secretarial Audit Report is annexed herewith as “Annexure III”.

CORPORATE SOCIAL RESPONSIBILITY

In view of the loss incurred during the year 2017-18, there was no eligible amount for CSR activities. The Report of the CSR is annexed herewith as “Annexure IV”.

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 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.

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

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

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in Form MGT-9 is annexed herewith as “Annexure VI”.

DETAILS OF REMUNERATION AS REQUIRED UNDER SECTION 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 VII.”

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 victimisation of persons who use this mechanism and direct access to the Chairman of 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

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 Risk Management Policy as required under the provisions of Companies Act 2013 are placed on the Company's website www.ugarsugar.com.

CHANGE IN NATURE OF BUSINESS, IF ANY

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

BUSINESS RESPONSIBILITY REPORT

As per SEBI LODR Fifth Amendment regulation Business Responsibility Regulation 2019 provides that the Business Responsibility report is mandatory for top 1000 listed Companies. Our rating based on market capitalization as on 31/03/2020 on BSE is 1041 and on NSE is 1041. In view of this the Business Responsibility report is not mandatory for us and as such same has not been given by us..

ACKNOWLEDGMENT:

Your Directors wish to place on record their sincere appreciation for the continued support received from Managements of Central Bank of India, Bank of Baroda, Union Bank of India and 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, Sugar Development Fund, for providing long term finance for Capital Investments, Tata Power Trading Co. Ltd., and Electricity Supply Company (ESCOMS), for transmission of energy.

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

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

P. V. Shirgaonkar
Chairman

Date : 26-06-2020

Regd. Office: Mahaveer Nagar,
Sangli – 416416.

ANNEXURE I TO THE DIRECTORS' REPORT

Information pursuant to Section 134(3) (m) of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014 and forming part of the Directors' Report for the period ended 31st March, 2020.

CONSERVATION OF ENERGY:

All the energy conservation measures successfully implemented in past are giving satisfactory results. This year following steps are taken for Energy Conservation for the period ended 31st March, 2020.

S.N.	DESCRIPTION	LOCATION	Qty x Rating	KW
1	25 KVAr CAPACITOR BANKS	Factory In house Various MCC Panels	25 KVAr X 10 Nos.	250 KVArr

ANNEXURE II : TECHNOLOGY ABSORPTION
As on 31st Mar 2020
FORM – B

Varieties which are developed in various research organizations require testing in the field conditions such varieties are successfully tested on our R & D farm.

Co C 671 : Which is a high sucrose accumulating variety introduced in 1985 was ruling in our area from 1991 to 1995 because of diseases and poor ratoonability its percentage in total crushing has gone down. Seed material of Co 09004 (Amruta) high yielding, high sucrose, salinity tolerant variety released by SBI Coimbatore is already distributed.

In addition to this we have brought Co 11015 (CoC 671 x Co 86011) which is a early high yielding variety brought from SBI Coimbatore and trials are going on.

Co 86032 : Midlate maturing variety released in 2000 but still occupying 40 to 45% share in crushing.

Alternative variety Co Snk 09268 & VSI 08005 cane seed material already distributed. This year one more variety Co 18024 (Co 86032 x Co 05001) has been brought from SBI Coimbatore and trials are going on.

CoM 0265 : Released by CSRS, Padegaon in 2007 late sugar accumulating variety, still popular in farming community but because of its drawback needed to be replaced by suitable variety. Alternative varieties CoSnk 09293 & MS 10001cane seed material distributed on large scale.

In coming years Early varieties like Co 09004 and Co 11015 will be introduced in place of CoC 671.

Midlate maturing variety Co 86032 will be replaced by variety CoSnk 09268, VSI 8005 & Co 18024

Late maturing variety CoM 0265 will be replaced by CoSnk 09293 & MS 10001.

Distribution of chemical fertilizers continued since 3 years will be continued further & farmers will be benefited because of its quality, sugarcane yield & sugar recovery will be improved because of balance dose of fertilizers.

Agricultural research station Sankeshwar which comes under University of Agricultural Sciences Dharwad, Sugarcane Breeding Institute, Coimbatore & S. Nijalingappa Sugar Institute, Belgavi regularly supplying us the new clones for continuous evaluation.

Saline soil reclamation with the help of perforated PVC pipes has become popular in our command area.

Research on short duration crop is continuously going on Wheat, Soybean, Bengal gram. New varieties were supplied by UAS Dharwad, ICAR New Delhi, MACS Pune, CIMMYT MEXICO .

Future plan for action

a) Identification of New Sugarcane varieties.

b) Saline soil Reclamation.

c) Supply of good quality fertilizers & create awareness for use of integrated nutrient management.

d) Improvement in cultivation practices by implementation of new techniques.

e) Selection of suitable variety for Mechanical cane Harvester.

f) To promote the area under drip irrigation..

g) Utilization of Organic Distillery Powder, a product of SSP plant of concentration, evaporation and drying system for zero pollution as rich potash source.

h) Utilization of Bio Methanated Spent wash in Murum soils of the command area on large scale as One Time Controlled Land Application due to its high nutrient values.

i) Practice of Trash Mulching in sugarcane crop.

j) Distribution of genetically pure seed & seedlings of popular and new 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	8.49
	b. Raw Sugar	Nil
	c. Machinery Parts	Nil
	d. Subscriptions	Nil

ANNEXURE III - FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st March, 2020

[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.

Our report is based on the personal visits and verification of physical and scan copies of the records which were made available to us at the Sangli location. We have not visited the premises located at Ugar Khurd and Jewargi (Malli) because of the Inter-State and Inter-District ban due to COVID-19 and to check the compliance status. Further, in view of pandemic circumstances of COVID-19, we have conducted the audit by verification of scan copies of the records made available to us by the management of the Company.

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 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 31st March, 2020 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 1st April, 2019 to 31st March, 2020 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under;

(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 (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(d) 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) Secretarial 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 following observations:

ii) Company has conducted Postal Ballot vide Notice Dt 22-05-2019, for passing of the Special Resolutions Pursuant to Regulation 17(1A) of SEBI (LODR) 2015 regulations for continuation of appointment of non-executive Directors of the Company above the age of 75 years w.e.f. 01-04-2019 till the date of their appointment. Results of Postal Ballot for passing of special resolutions were declared on 11th July, 2019.

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.

Abhay R. Gulavani
Practicing Company Secretary

Place : Sangli
Date : 26-06-2020

ACS: 28983; CP: 10741

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 26th June, 2020 for the financial year ended on 31st March, 2020, 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.
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.
7. Due to COVID-19 pandemic, Interstate and Inter District movement were banned till now. Hence the records and documents which were received and shown to us in soft copies could only be considered for this years report.

Abhay R. Gulavani
Practicing Company Secretary

Place : Sangli
Date : 26-06-2020

ACS: 28983; CP: 10741

ANNEXURE IV

TO THE DIRECTORS REPORT
ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES
2018-19

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_Commitee.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 :

- Dr. M.R.Desai - Chairman.
- Mr. D.B.Shah
- Mr. Sachin Shirgaokar.
- Mr. Sohan Shirgaokar.

		(Rs. in Lakhs)
3	Average net profit/ loss of the Company for last three financial years	(1219.38)
4	Prescribed CSR Expenditure (In Lakhs) (two per cent., of the amount as in item 3 above)	–
5	Details of CSR spent during the financial year. a. The Company has spent as CSR Activities during the financial year	–
	b. Amount unspent, if any;	NIL

(c) Manner in which the amount spent during the financial year is details below:

S.No	CSR Project of Activity Identified	Sector in which the project is covered	Projects or programs (1) Local area or Others (2) Specify the state and district where projects or programs was undertaken	Amount spent on the projects or programs wise	Amount spent on the project or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative Expenditure upto to the reporting period	Amount Spent: Direct or through implementing agency
1.	–	–	–	–	–	–	–
	Total	–	–	–	–	–	–

CSR Committee confirms that, the implementation & monitoring of CSR Policy is in compliance with CSR objectives & policy of Company.

Mr. Niraj S. Shirgaokar Managing Director (DIN - 00254525) The Ugar Sugar Works Ltd	**Dr. M. R. Desai** Chairman CSR Committee (DIN - 01625500) The Ugar Sugar Works Ltd
Mr. Chandan S. Shirgaokar Managing Director (DIN - 00208200) The Ugar Sugar Works Ltd	

ANNEXURE V TO THE DIRECTORS' REPORT.

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) for the year 2019-20

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

(a)	Name(s) of the related party	**Body Corporate** 1. S. B. Reshellers Pvt Ltd. 2. Gyanshree Enterprises 3. Sanjeev Suresh Shirgaokar (HUF) 4. Synergy Green Ind Ltd 5. Ugar Pipe Ind Pvt Ltd
	Nature of relationship	Group Companies and Relative
(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	01-04-2019 to 31-03-2020
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Related party transactions are finalized based on following procedure : a) Comparison of Quotations received from similar parties in market b) Earlier performance of the party, quality of supply & services. c) Recommendations by Technical Team All the transactions are done at fair market value and at arm's length basis. Party names & Values of Transaction. Rs. 1. S. B. Reshellers Pvt. Ltd. 4,76,73,250/- 2. Gyanshree Enterprises 13,20,000/- 3. Sanjeev Suresh Shirgaokar (HUF) 30,96,000/- 4. Synergy Green Ind. Ltd. 1,49,730/- 5. Ugar Pipe Ind. Pvt. Ltd. 2,23,300/-
(e)	Date(s) of approval by the Board	(Omnibus Approval for all Related Party Transaction has been obtained in Audit Committee Meeting held on 22/05/2019.
(f)	Amount paid as advances, if any:	Nil

Form AOC- 1
(Pursuant to first proviso to sub-section (3) of section 129 read with
rule 5 of Companies (Accounts) Rules, 2O14)
Statement containing salient features of the financial statement of subsidiaries
or associate companies or Joint ventures as on 31st March 2020

Part A- Subsidiaries

S. No.	Particulars	Amount (Rs. Lakhs)
01	Name of the subsidiary	Ugar Theatres Private Limited
02	The date since when subsidiary was acquired	30.09.2019
03	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	No
04	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	NA
05	Share capital	2.27
06	Reserves and surplus	171.50
07	Total assets 1824.26	
08	Total Liabilities	1824.26
09	Investment	-
10	Turnover	3.74
11	Profit before Taxation	0.67
12	Provision for taxation	0.15
13	Profit after Taxation	0.52
14	Proposed Dividend	-
15	Extent of shareholding (in percentage)	100

Part B -Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2O13 related to Associate Companies and Joint Ventures - NA

Niraj S. Shirgaokar
MD (DIN-00254525)

Chandan S. Shirgaokar
MD (DIN-00208200)

R. V. Desurkar
GM-Finance (ACA-23771)

B. G. Kulkarni
GM-Corp. Affairs & Co. Sec. (FCS-2805)

Date : 26-06-2020

Annexure VI
EXTRACT OF ANNUAL RETURN
As on the financial year ended 31.03.2020
[Pursuant to Section 92(3) of the Companies Act, 2013, and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]
FORM NO. MGT – 9

I. REGISTRATION AND OTHER DETAILS

I) CIN:-	L15421PN1939PLC006738
ii) Registration Date	11/09/1939
iii) Name of the Company	The Ugar Sugar Works Ltd.
iv) Category / Sub-Category of the Company	Company Limited By Shares / Indian Non Government Company.
v) Address of the Registered Office and contact details	MAHAVEER NAGAR, SANGLI, Maharashtra, 416416 +91 233 2623717, usw.sangli@ugarsugar.com.
vi) Whether listed Company Yes / No	Listed on BSE & NSE (530363 & UGARSUGAR)
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any	BIGSHARE SERVICES PVT. LTD. (Unit : The Ugar Sugar Works Ltd.,) 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road Marol, Andheri East Mumbai-400059 Maharashtra Tel: 022 62638200 Fax: 022 62638299

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the Company shall be stated:-

S1 No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1	Sugar	2060	64.29
2	Potable Alcohol	2200	17.92

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

S1 No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	Ugar Theatre Pvt Ltd	U33205KA1977PTC003250	2274	100	Sec 2(6)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity) as on 31st March, 2020.

I) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	13156560	0	13156560	11.69	13170471	0	13170471	11.71	+0.02
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt (s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	36306393	0	36306393	32.27	36526494	0	36526494	32.46	+0.19
e) Banks / FI		0		0		0		0	
f) Any Other….	1178821	0	1178821	1.05	1178821	0	1178821	1.05	0
Sub-total (A) (1) :-	**50641774**	**0**	**50641774**	**45.01**	**50875786**	**0**	**50875786**	**45.22**	**+0.21**
(2) Foreign									
a) NRIs - Individuals	0	0	0	0	0	0	0	0	0
b) Other – Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any Other….	0	0	0	0	0	0	0	0	0
Sub-total (A) (2) :-	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	**50641774**	**0**	**50641774**	**45.01**	**50875786**	**0**	**50875786**	**45.22**	**+0.21**
B. Public Shareholding									
1. Institutions	0	0	0	0	0	0	0	0	0
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	2700	2880	5580	0.00	37111	2880	39991	0.04	+0.04
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):-	**2700**	**2880**	**5580**	**0.00**	**37111**	**2880**	**39991**	**0.04**	**+0.04**

2. Central/ State Govt./ President of India	0	0	0	0	0	0	0	0	0
3. Non-Institutions	0	0	0	0	0	0	0	0	0
a) Individuals	0	0	0	0	0	0	0	0	0
i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	36255650	18894270	55149920	49.02	35295288	18320174	53615462	47.66	-1.36
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	1405646	0	1405646	1.25	983188	0	983188	0.87	-0.38
c) Others (specify)	5259112	37968	5297080	4.71	6947605	37968	6985573	6.21	+1.50
1) IEPF	302531	–	302531	0.27	302531	–	302531	0.27	0.00
2) Body Corporate	4069308	37968	4107276	3.65	5680758	37968	5718726	5.08	+1.43
3) Clearing Member	207632	–	207632	0.18	327828	–	327828	0.29	+0.11
4) NRI –	669641	–	669641	0.59	626488	–	626488	0.56	-0.03
5) Trust –	10000	–	10000	0.01	10000	–	10000	0.01	0
Sub-total (B)(3):-	**42920408**	**18932238**	**61852646**	**54.98**	**43226081**	**18358142**	**61584223**	**54.74**	**-0.24**
Total Public Shareholding (B)=(B)(1)+(B)(2)+ (B)(3)	**42923108**	**18935118**	**61858226**	**54.99**	**43263192**	**18361022**	**61624214**	**54.78**	**-0.21**
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	93564882	18935118	112500000	100	94138978	18361022	112500000	100	0

*** amounts maintained as Reg 31(b).**

(ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	% change in Share holding During the year
1.	Rajendra V. Shirgaokar	132882	0.12	00	132882	0.12	00	0.00
2.	Prafulla V. Shirgaokar	823929	0.73	00	823929	0.73	00	0.00
3.	Shishir S. Shirgaokar	394255	0.35	00	394255	0.35	00	0.00
4.	Shilpa N. Kumar	152600	0.14	00	152600	0.14	00	0.00
5.	Savita S. Shirgaokar	108972	0.10	00	109972	0.10	00	+0.00
6.	Niraj S. Shirgaokar	219214	0.19	00	244214	0.22	00	+0.03
7.	Arjun Niraj Shirgaokar	172052	0.15	00	172052	0.15	00	0.00
8.	Asawari Niraj Shirgaokar	473140	0.42	00	473140	0.42	00	0.00
9.	Sindhu V. Dalvi	103020	0.09	00	103020	0.09	00	0.00

10.	Sachin R. Shirgaokar	1500133	1.33	00	1500133	1.33	00	0.00
11.	Laxmi S. Shirgaokar	395659	0.35	00	395659	0.35	00	0.00
12.	Radhika S. Shirgaokar	2037978	1.81	00	2037978	1.81	00	0.00
13.	Smita P. Shirgaokar	270000	0.24	00	270000	0.24	00	0.00
14.	Shradha D. Shirgaokar	271307	0.24	00	215394	0.19	00	-0.05
15.	Rishabh Sanat Shirgaokar	34639	0.03	00	34639	0.03	00	0.00
16.	Kunda K. Shirgaokar	636463	0.57	00	636463	0.57	00	0.00
17.	Tarini S. Shirgaokar	1648467	1.47	00	1648467	1.47	00	0.00
18.	Puja H. Pusalkar	8000	0.01	00	8000	0.01	00	0.00
19.	Jeevan V. Shirgaokar	84311	0.07	00	84311	0.07	00	0.00
20.	Anuja J. Shirgaokar	34200	0.03	00	34200	0.03	00	0.00
21.	Avinash V. Shirgaokar	139840	0.12	00	139840	0.12	00	0.00
22.	Aniket J. Shirgaokar	15700	0.01	00	15700	0.01	00	0.00
23.	Chandan S. Shirgaokar	495104	0.44	00	643015	0.57	00	+0.13
24.	Sohan S. Shirgaokar	305032	0.27	00	145032	0.13	00	-0.14
25.	Rekha R. Khedekar	17264	0.02	00	17264	0.02	00	0.00
26.	Babasaheb N. Kalyani	1583880	1.41	00	1583880	1.41	00	0.00
27.	Sunita B. Kalyani	1514800	1.35	00	1514800	1.35	00	0.00
28.	Madhavi Dalvi	281000	0.25	00	281000	0.25	00	0.00
29.	Rajeev V. Dalvi	319111	0.28	00	319111	0.28	00	0.00
30.	Sumit R. Khedekar	12000	0.01	00	12000	0.01	00	0.00
31.	Harshada A. Shirgaokar	500	0.00	00	500	0.00	00	0.00
32.	Sukhada A. Shirgaokar	17449	0.01	00	17449	0.01	00	0.00
33.	Sandhya Ashok Kumar Gupta	132480	0.12	00	188393	0.17	00	+0.05
34.	Tara Tiles Pvt Ltd.	1011200	0.90	00	1011200	0.90	00	0.00
35.	Sangli Fabricators Pvt Ltd.	12608	0.01	00	12608	0.01	00	0.00
36.	Vinayak Shirgaokar Inv Pvt Ltd.	3193194	2.84	00	3200294	2.85	00	+0.00
37.	Suresh Shirgaokar Inv Pvt Ltd.	1466920	1.30	00	1467020	1.30	00	+0.00
38.	D.M. Shirgaokar Inv Pvt Ltd.	2165888	1.93	00	2165988	1.93	00	+0.00
39.	Prafulla Shirgaokar Inv Pvt Ltd.	1834336	1.63	00	1834436	1.63	00	+0.00
40.	Shishir Shirgaokar Inv Pvt Ltd.	2025662	1.80	00	2025762	1.80	00	+0.00
41.	Sanjiv Shirgaokar Inv Pvt Ltd.	1753450	1.56	00	1753550	1.56	00	+0.00
42.	Prabhakar Shirgaokar Inv Pvt Ltd.	3351621	2.98	00	3351721	2.98	00	+0.00
43.	S. B. Reshellers Pvt Ltd.	19491514	17.32	00	19703915	17.51	00	+0.19
	TOTAL	**50641774**	**45.01**	**00**	**50875786**	**45.22**	**00**	**+0.21**

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl No.	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year		Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Share holding at the end of the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company		No. of Shares	% of total Shares of the company
1	Niraj S. Shirgaokar	219214	0.19	25000	0.02	Purchase on 30.03.2020	244214	0.21
2	Shradha D. Shirgaokar	271307	0.24	55913	-0.05	Inter-se transfer 26.06.2019	215394	0.19
3	Chandan S. Shirgaokar	495104	0.44	147911	0.13	Purchase on 30.12.2019 & 10.03.2020	643015	0.57
4	Sohan S. Shirgaokar	305032	0.27	160000	-0.14	Inter Se transfer 10.09.2019	145032	0.13
5	Sandhya Ashok Kumar Gupta	132480	0.12	55913	0.05	Inter-se transfer 26.06.2019	188393	0.17
6	S B Reshellers Pvt Ltd.	19491514	17.32	212401	0.19	Inter-se transfer 10 & 29.09.2019 & 25.11.2019	19703915	17.51
7	Savita S. Shirgaokar	108972	0.10	1000	0.00	Purchase on 30.03.2020	109972	0.10
8	Vinayak Shirgaokar Inv Pvt Ltd.	3193194	2.84	100	0.00	Purchase on 03.09.2019	3200294	2.85
9	D.M. Shirgaokar Inv Pvt Ltd.	2165888	1.93	100	0.00	Purchase on 03.09.2019	2165988	1.93
10	Prafulla Shirgaokar Inv Pvt Ltd.	1834336	1.63	100	0.00	Purchase on 03.09.2019	1834436	1.63
11	Shishir Shirgaokar Inv Pvt Ltd.	2025662	1.80	100	0.00	Purchase on 03.09.2019	2025762	1.80

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No	Name	No. of Shares at the beginning/ End of the year	Month/Year	Increase/ Decrease in share-holding No. of Shares at the begining/ End of the year	Number of Shares	Percentage of total shares of the company
1	FAMOUS DEVELOPERS PRIVATE LIMITED	1980000	01-Apr-2019		1,980,000	1.76
			24-Jan-2020	-600,000	1,380,000	1.23
			31-Jan-2020	600,000	1,980,000	1.76
		1980000	31-Mar-2020		1,980,000	1.76
2	UNIVERSAL CINE TRADES	820000	01-Apr-2019		820,000	0.73
			14-Jun-2019	10,000	830,000	0.74
			21-Jun-2019	19,000	849,000	0.75

			24-Jan-2020	-600,000	249,000	0.22
			31-Jan-2020	600,000	849,000	0.75
			13-Mar-2020	-55,000	794,000	0.71
		794000	31-Mar-2020		794,000	0.71
3.	HITESH RAMJI JAVERI	450000	01-Apr-2019		450,000	0.40
		450000	31-Mar-2020		450,000	0.40
4.	MOTILAL OSWAL FINANCIAL SERVICES LTD-MARGIN TRADING SECURITIES CLIENT	47990	01-Apr-2019		47,990	0.04
			05-Apr-2019	2,557	50,547	0.04
			12-Apr-2019	296	50,843	0.05
			19-Apr-2019	558	51,401	0.05
			26-Apr-2019	12,424	63,825	0.06
			03-May-2019	-13,924	49,901	0.04
			10-May-2019	-765	49,136	0.04
			17-May-2019	1,136	50,272	0.04
			24-May-2019	637	50,909	0.05
			31-May-2019	10,279	61,188	0.05
			07-Jun-2019	-3,011	58,177	0.05
			14-Jun-2019	-9,911	48,266	0.04
			21-Jun-2019	-1,342	46,924	0.04
			28-Jun-2019	2,252	49,176	0.04
			05-Jul-2019	5,069	54,245	0.05
			12-Jul-2019	-6,214	48,031	0.04
			19-Jul-2019	-1,388	46,643	0.04
			26-Jul-2019	33,362	80,005	0.07
			01-Aug-2019	-30,191	49,814	0.04
			02-Aug-2019	-1,261	48,553	0.04
			05-Aug-2019	-6,782	41,771	0.04
			09-Aug-2019	2,132	43,903	0.04
			14-Aug-2019	-891	43,012	0.04
			16-Aug-2019	1,125	44,137	0.04
			23-Aug-2019	1,849	45,986	0.04
			30-Aug-2019	-2,167	43,819	0.04
			06-Sep-2019	17,281	61,100	0.05
			13-Sep-2019	-20,404	40,696	0.04
			20-Sep-2019	-19,499	21,197	0.02
			27-Sep-2019	4,170	25,367	0.02
			30-Sep-2019	6,201	31,568	0.03
			04-Oct-2019	20,998	52,566	0.05
			11-Oct-2019	-30,784	21,782	0.02
			18-Oct-2019	2,537	24,319	0.02
			25-Oct-2019	-4,851	19,468	0.02
			01-Nov-2019	5,830	25,298	0.02
			08-Nov-2019	15,959	41,257	0.04

			15-Nov-2019	-13,330	27,927	0.02
			22-Nov-2019	-8,790	19,137	0.02
			29-Nov-2019	4,404	23,541	0.02
			06-Dec-2019	-7,343	16,198	0.01
			13-Dec-2019	-4,114	12,084	0.01
			20-Dec-2019	5,987	18,071	0.02
			27-Dec-2019	-9,268	8,803	0.01
			31-Dec-2019	-936	7,867	0.01
			03-Jan-2020	91,902	99,769	0.09
			10-Jan-2020	-72,174	27,595	0.02
			17-Jan-2020	12,249	39,844	0.04
			24-Jan-2020	-32,204	7,640	0.01
			31-Jan-2020	735	8,375	0.01
			07-Feb-2020	13,641	22,016	0.02
			14-Feb-2020	142,868	164,884	0.15
			18-Feb-2020	-66,252	98,632	0.09
			21-Feb-2020	-59,492	39,140	0.03
			28-Feb-2020	-12,215	26,925	0.02
			06-Mar-2020	336,128	363,053	0.32
			13-Mar-2020	-48,384	314,669	0.28
			20-Mar-2020	-5,118	309,551	0.28
			27-Mar-2020	-283,218	26,333	0.02
			31-Mar-2020	350,596	376,929	0.34
		376929	31-Mar-2020		376,929	0.34
5.	VARDHAMAN JAYCHAND OSWAL (HUF)	220650	01-Apr-2019		220,650	0.20
			25-Oct-2019	500	221,150	0.20
			01-Nov-2019	5,500	226,650	0.20
			31-Mar-2020	600	227,250	0.20
		227250	31-Mar-2020		227,250	0.20
6.	SANJAY KASHIRAM ADIVAREKAR	214077	01-Apr-2019		214,077	0.19
		214077	31-Mar-2020		214,077	0.19
7.	VARDHMAN JAICHAND OSWAL	201808	01-Apr-2019		201,808	0.18
			12-Apr-2019	22,527	224,335	0.20
			03-May-2019	11,510	235,845	0.21
			10-May-2019	7,487	243,332	0.22
			17-May-2019	5,639	248,971	0.22
			31-May-2019	100	249,071	0.22
			21-Jun-2019	3,500	252,571	0.22
			28-Jun-2019	1,240	253,811	0.23
			05-Jul-2019	7,227	261,038	0.23
			12-Jul-2019	19,375	280,413	0.25
			19-Jul-2019	500	280,913	0.25
			26-Jul-2019	1,001	281,914	0.25
			01-Aug-2019	2	281,916	0.25

			05-Aug-2019	2,997	284,913	0.25
			09-Aug-2019	1,500	286,413	0.25
			23-Aug-2019	3,861	290,274	0.26
			30-Aug-2019	1,141	291,415	0.26
			06-Sep-2019	7,598	299,013	0.27
			13-Sep-2019	1,000	300,013	0.27
			18-Oct-2019	3,000	303,013	0.27
			08-Nov-2019	5,500	308,513	0.27
			22-Nov-2019	9,000	317,513	0.28
			29-Nov-2019	7,265	324,778	0.29
			06-Dec-2019	7,500	332,278	0.30
			13-Dec-2019	429	332,707	0.30
			20-Dec-2019	1,971	334,678	0.30
			31-Dec-2019	3,754	338,432	0.30
			07-Feb-2020	2,100	340,532	0.30
			14-Feb-2020	-340,532		0.00
			21-Feb-2020	1,000	1,000	0.00
			28-Feb-2020	3,000	4,000	0.00
			06-Mar-2020	2,000	6,000	0.01
			13-Mar-2020	1,000	7,000	0.01
			20-Mar-2020	1,000	8,000	0.01
			27-Mar-2020	2,000	10,000	0.01
		10000	31-Mar-2020		10,000	0.01
8.	DEEPALI AJIT BEDKEHALE	199600	01-Apr-2019		199,600	0.18
			12-Apr-2019	-100,000	99,600	0.09
			24-May-2019	-99,600		0.00
			31-Mar-2020			0.00
9.	CHITTA RANJAN DAS .	0	01-Apr-2019			0.00
			03-May-2019	1,118	1,118	0.00
			10-May-2019	2,882	4,000	0.00
			24-May-2019	6,000	10,000	0.01
			31-May-2019	4,000	14,000	0.01
			05-Jul-2019	13,000	27,000	0.02
			20-Sep-2019	1,000	28,000	0.02
			30-Sep-2019	1,000	29,000	0.03
			25-Oct-2019	1,000	30,000	0.03
			08-Nov-2019	1,000	31,000	0.03
			15-Nov-2019	4,000	35,000	0.03
			22-Nov-2019	2,000	37,000	0.03
			06-Dec-2019	3,000	40,000	0.04
			20-Dec-2019	1,000	41,000	0.04
			27-Dec-2019	4,000	45,000	0.04
			03-Jan-2020	15,000	60,000	0.05
			10-Jan-2020	15,000	75,000	0.07

			17-Jan-2020	25,004	100,004	0.09
			24-Jan-2020	12,996	113,000	0.10
			31-Jan-2020	17,000	130,000	0.12
			07-Feb-2020	10,000	140,000	0.12
			14-Feb-2020	40,000	180,000	0.16
		180000	31-Mar-2020		180,000	0.16
10	RAJAT MALHOTRA	65000	01-Apr-2019		65,000	0.06
			21-Jun-2019	32,422	97,422	0.09
			28-Jun-2019	2,318	99,740	0.09
			26-Jul-2019	1,256	100,996	0.09
			24-Jan-2020	35,004	136,000	0.12
			31-Jan-2020	41,042	177,042	0.16
		177042	31-Mar-2020		177,042	0.16

(V) Shareholding of Directors and Key Managerial personnel:

Sl No.	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year		Increase / Decrease in Promoters Share	Shareholding at the End of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No. of shares	% of total shares of the company
1	Sachin R. Shirgaokar	1500133	1.32	00	0.000	No Change during the year	1500133	1.32
2	Sohan Shirgaokar	305032	0.27	00	0.000	Inter se-transfer	145032	0.13
3	Mr. Rakesh V. Kapoor	5000	0.00	00	0.000	No Change during the year	5000	0.00
4	Mr. D. B. Shah	30000	0.03	00	0.000		30000	0.03
5	Hari Y. Athawale	58240	0.03	00	0.000		58240	0.03
6	Shishir Shirgaokar	394255	0.31	00	0.000		394255	0.31
7	Mr. Niraj S. Shirgaokar	219214	0.19	00	0.000	Purchase of Shares	244214	0.22
8	Mr. Chandan S. Shirgaokar	495104	0.44	00	0.000		643015	0.57
9	Mrs. Shilpa Kumar	152600	0.14	00	0.000	No Change during the year	152600	0.14
10	Prafulla V. Shirgaokar	823929	0.73	00	0.000		823929	0.73
11	Mr. V. Balasubramanian	11200	0.01	00	0.000		11200	0.01
12	Mr. M. G. Joshi (Rtd,14.08.2019)	21000	0.02	00	0.000		21000	0.02
13	Dr. M. R. Desai	69608	0.06	00	0.000		69608	0.06
14	Mr. Deepak Ghaisas (Rtd, 14.08.2019)	5000	0.00	00	0.000		5000	0.00
15	Mr. Shripad Gangavati (w.e.f. 14.08.2019)	00	0.00	00	0.000		00	0.00
16	Mrs. Suneeta S. Thakur (w.e.f. 14.08.2019)	18000	0.02	00	0.000		18000	0.02

VI. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment *(Rs. In Lakh)*

	Secured Loans excluding deposits	Unsecured Loans	Deposits *	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	37.999.35	178.62	2.55	38,180.52
ii) Interest due but not paid	–	–	–	–
iii) Interest accrued but not due	290.71	1.81	–	292.52
Total (i+ii+iii)	38,290.06	180.43	2.55	38,473.04
Change in Indebtedness during the financial year				
• Addition	3,61,229.42	–	–	3,61,229.42
• Reduction	3,56,456.89	72.42	–	3,56,529.31
Net Change	4,772.53	(72.42)	–	4,700.11
Indebtedness at the end of the financial year				
i) Principal Amount	42,731.20	108.02	2.55	42,841.77
ii) Interest due but not paid	–	–	–	–
iii) Interest accrued but not due	331.38	–	–	331.38
Total (i+ii+iii)	43,062.58	108.02	2.55	43,173.15

* Amount of Unclaimed Deposit.

VII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director and/or Manager

(Rs. In Lakh)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		Niraj S. Shirgaokar (MD)	Chandan S .Shirgaokar (MD)	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	74.90	193.40	268.30
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961 © Profits in lieu of salary under section 17(3) Income-tax Act, 1961	23.69	4.46	28.15
2.	Stock Option	00	00	00
3.	Sweat Equity	00	00	00
4.	Commission - as % of profit - others, specify…	 27.37 00	 27.37 00	 54.74 00
5.	Others, please specify(Retirement Benefits)	9.24	21.12	30.36
	Total (A)	135.20	246.35	381.55
	Ceiling as per the Act			

B. Remuneration to other directors:

(Rs. In Lakh)

Particulars of Remuneration	Name of Directors														Total Amount
	1	2	3	4	5	6	7			8	9	10	11	12	
	V Bala subra manian	M G Joshi	M R Desai	D B Shah	Rakesh Kapoor	Deepak Ghaisas	Hari Y Atha wale	Shripad S Ganga vati	Suneeta S Thakur	P V Shirgao kar	Sachin R Shir gaonkar	Sohan S Shirgao kar	Shilpa Kumar	Shishir Shirgao kar	
1 Independent Director															
Fee for attending board / committee Ceiling as per the Act	1.10	0.50	1.60	1.10	1.00	0.00	1.20	0.80	0.50	00	00	00	00	00	7.80
Commission		00	00	00	00	00	00	00	00	00	00	00	00	00	00
thers, please specify		00	00	00	00	00	00	00	00	00	00	00	00	00	00
Total (1)	1.10	0.50	1.60	1.10	1.00	0.00	1.20	0.80	0.50	00	00	00	00	00	7.80
2 Other Non-Executive Director															
Fee for attending board /	00	00	00	00	00	00	00	00	00	0.80	1.10	1.60	0.40	0.60	
Commission	00	00	00	00	00	00	00	00	00	00	00	00	00	00	
Others, please specify	00	00	00	00	00	00	00	00	00	00	00	00	00	00	
Total (2)	00	00	00	00	00	00	00	00	00	0.80	1.10	1.60	0.40	0.80	4.50
Total (B)=(1+2)	1.10	0.50	1.60	1.10	1.00	0.00	1.20	0.80	0.50	0.80	1.10	1.60	0.40	0.60	12.30
Remuneration Overall Ceiling as per the Act	1% Net of Profit as a Commission. Rs.100,000/- Per Meeting,(Meeting of Board or Committee)														

C. Remuneration To Key Managerial Personnel Other Than MD/Manager/WTD

(Rs. In Lakh)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total
		Rajan V. Desurkar CFO	**B. G. Kulkarni** Company Secretary	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	33.18	28.94	62.12
2.	Stock Option	00	00	00
3.	Sweat Equity	00	00	00
4.	Commission - as % of profit - Others, specify…	00	00	00
5.	Others, please specify (Retirement Benefit)	4.59	4.00	8.59
	Total	37.77	32.94	70.71

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of The Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
Penalty	–	–	–	–	–
Punishment	–	–	–	–	–
C. OTHER OFFICERS IN DEFAULT					
Penalty	–	–	–	–	–
Punishment	–	–	–	–	–
Compounding	–	–	–	–	–

Annexure VII

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 Personal) Rules, 2014.

I. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2019-20, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2019-20 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	Remuneration of Director/KMP for financial year 2019-20 (Rs. in Lakh)	% Increase/ Decrease in Remuneration in the Financial Year 2019-20	Ratio of Remuneration of each Director / to median remuneration of employees	Comparison of the Remuneration of the KMP against the performance of the Company
1)	Niraj Shirgaokar Managing Director	135.20	20.83	33.97	Increase in the profit of the company from Rs. 434.54 lakh. Lakh to Rs. 1376.54 lakh.
2)	Chandan Shirgaokar Managing Director.	246.35	168.24	61.90	
3)	R V Desurkar GM Finance & Chief Financial Officer	37.77	14.01	NA	
4)	B G Kulkarni GM Corporate Affairs & Company Secretary	32.94	14.38	NA	

i) The median remuneration of employees of the company during the financial year was Rs. 4.92 Lakh.

ii) In the financial year, there was an increase of 1.33% in the median remuneration of employees;

iii) There were 1317 permanent employees on the rolls of company as on March 31, 2020;

iv) Relationship between average in the remuneration and company performance:- Increase in the profit of the company from Rs. Rs. 434.54 lakh Lakh to Rs.1376.54 lakhs.

v) The average increase in median remuneration was in line with the performance of the company.

vi) Comparison of Remuneration of the Key Managerial Personnel against the performance of the Company:

The total remuneration of Key Managerial Personnel Increase of 70.24% form Rs. 265.66 Lakh in 2018-19 to Rs. 452.26 Lakh in 2019-20 whereas the profit increase from Rs. 434.54Lakh in 2018-19 to Rs.1376.54 Lakh in 2019-20

vii) a) Variations in the market capitalization of the company : The Market capitalization as on March 31, 2020 was Rs. 121.61 Crore (Rs. 177.75 Crore as on March 31, 2019)

b) Price Earnings ratio of the Company was 10.81 as at March 31, 2020 and was 15.80 as at March 31, 2019.

c) Percent increase over/ decrease In the market quotations of the shares of the company as compared to the rate at which the company come out with the last public offer in the year- The Company had come out with initial public offer (IPO) in 1950. An amount of Rs. 1000 invested in the said IPO would be worth Rs. 25,944 as on March 31, 2020 indicating a Compounded Annual Growth Rate of 4.76% This is excluding the dividend accrued there on and other benefits.

viii) Average percentage increase made in the salaries of employees other than the Key Managerial Personnel in the last financial year i.e. 2019-20 was 1.33% whereas the Increase in the managerial remuneration for the same financial year was 70.24%

ix) 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.

x) 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; and

xi) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employee.

xii) 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.

MANAGEMENT DISCUSSION AND ANALYSIS

Industrial Structure and Development:

The ownership of sugar industry is a combination of public, private and co-operative sectors. Sugar is produced in almost all the major Indian States. Maharashtra and U.P. contribute 70% of the country's total production. Tamilnadu, Karnataka, Andhra Pradesh, Bihar and Gujarat are the other major sugar producing States. The sugar prices are very sensitive from the common man's point of view.

The sugar production in the country during the year will be around 280 Lakh tonne compared to 330 Lakh tonne in the previous year. The sugar production during the year 2020-21 is likely to be better in the current year due to good weather and water supply plantation of crops in Maharashtra and Karnataka will increase..

The long term outlook for sugar looks to be bearish on account of excess stock and low demand position.

Opportunities and Threats:

Opportunities:

- To control falling prices, the government has introduced release mechanism and has also declared minimum selling price. A buffer stock of 3 (three) lakh tone sugar is created.
- The Central Government had announced 20 Lakh MT minimum indicative export quotas (MIEQ). Subsequently it has allowed MAEQ (Maximum admissible export quantity) of 60lakh MT sugar to stabilise the Sugar prices. The Government is giving subsidy for sugar export under MIEQ and MAEQ both.
- Environmental friendly power generation from co-generation units equipped with high pressure boiler and turbines is getting maximum energy output.

- Bio-composting processes and conversion of organic and in-organic matter into bio-manure to ensure zero discharge from distillery.
- The Government of India is promoting Ethanol blending up to 10% in 1st phase and further 10% in 2nd phase and the oil Companies have issued tenders for Ethanol supply and have also revised the ethanol prices
- The interest rates have started coming down.

Threats:

The sugar industry presently is coming across the following threats:

- Falling sugar prices and no demand for the sugar due to bumper production of sugar.
- Shortage in 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 resulted in increase in cane procurement price.
- Increase in number of sugar factories in surrounding area and also increase in their crushing capacity.

Segment wise Performance:

Sugar:

During the Current Year the Company has crushed 16.41 Lakh MT of sugar cane from both Ugar and Jewargi unit (as against 19.30 Lakh MT during previous year) and produced 17.95 lakh Qtls of sugar (as against 22.76 Qtls of sugar during previous year) at the recovery of 10.76% and 09.80% respectively for Ugar and Jewargi unit. The crushing and recover during the year has come down due to draught conditions at the beginning of rainy season and subsequent floods in our command area .

Industrial and Potable Alcohol:

The Company has produced 249.05 Lakh BLS of Industrial and Potable Alcohol during the year (against the last year production of 289.12 Lakh.) Overall production has come down due to draught conditions and subsequent floods .

Co-generation (Ugar & Jewargi):

We have generated 1273.46 Lakh KW power during the year at Ugar and Jewargi Unit (as against 1426.05 lakh during previous year) and have exported 692.06 Lakh KW of power during the year (as against 778.88 Lakh KW during previous year). We have supplied power to the exchange through Electric Supply Companies (ESCOMS). The power generation has come down due to lower crushing at Ugar and Jewargi due to draught as well as subsequent flood.

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 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 club house, playground, swimming pool, gymnasium etc. The Company also operates a Cooperative Society, Hospital, School and College for the benefit of the workers and general public.

The Company has a dedicated workforce of 1364 people (including Jewargi unit) comprising of 1,040 permanent, 277 seasonal and Honorarium 47 employees.

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 highest level of transparency. The Company is committed to achieve the highest standard of Corporate Governance, accountability and equity in all facets of its operations and in 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 of Seven Promoter Directors (Non-Executive Chairman, two Managing Directors and four Non-executive Directors including a Woman Director) and Seven Non Executive Independent Directors as on 31st March, 2020.

During the year, 4 (Four) Board Meeting were held on 22nd May, 14th August, 08th November 2019 and 05th February, 2020

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 number of directorships in other companies, committee chairmanship / memberships is 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 **$**	
					Member	Chairman
1. Mr. P. V. Shirgaokar	Chairman	4	Yes	7	–	–
2. Mr. Shishir S. Shirgaokar	NED	3	No	9	1	1
3. Mr. Niraj S. Shirgaokar	MD	3	No	5	–	–
4. Mr. Chandan S. Shirgaokar	MD	4	Yes	4	–	–
5. Mr. Sachin R. Shirgaokar	NED	3	No	4	–	–
6. Mr. Sohan S. Shirgaokar	NED	4	Yes	3	–	–
7. Mrs. Shilpa Kumar	NWD	2	No	2	–	–
8. Mr. V. Balasubramanian	NEID	3	No	4	–	–
9. Mr. M. G. Joshi, Retired on.14.08.2019	NEID	1	Yes	_	–	–
10. Dr. M. R. Desai	NEID	4	Yes	4	–	–
11. Mr. D. B. Shah	NEID	4	Yes	_	–	–
12. Mr. Rakesh V. Kapoor	NEID	3	No	3	–	1
13. Mr. Hari Y. Athawale	NEID	4	Yes	_	–	–
14. Shripad S. Gangavati	NEID	3	Yes	1	_	_
15. Suneeta S. Thakur	NEWID	2	No	1	_	_
16. Mr. Deepak Ghaisas Retired on 14.08.2019	NEID	_	_	_	–	–

Excluding Directorships held in Foreign Companies and Section 8 Companies.

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

NEC-Non- Executive Chairman, MD – Managing Director, NED - Non-Executive Director NEID - Non-Executive Independent Director, NEWD – Non-Executive Woman Director, NEWID-Non-Executive Woman Independent Director.

Except 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 for meetings.

Inter se Relationship between Directors.

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

C. Appointment of Director's :

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

- Shri. P. V. Shirgaokar, age 81 years, was appointed on the Board on 05.08.1994.He has served as a Executive Director, Managing Director, Executive vice Chairman and presently Chairman of the company. He is liable to retire by rotation at this AGM & being eligible offers himself for reappointment. He has vast experience of sugar industry. He is also associated with various social and cultural organizations. He holds 823,929 shares of the Company as on 31.03.2020. His directorship & committee membership in other companies is given below.

Sr. No.	Directorship in other Companies	Audit Committee	Shareholders / Investor Grievances Committee
1	THE UGAR SUGAR WORKS LTD	–	–
2	BSJ ENGINEERING PRIVATE LIMITED	–	–
3	UGAR THEATRE PRIVATE LIMITED	–	–
4	S.B. RESHELLERS PRIVATE LIMITED	–	–
5	TARA TILES PVT LTD	–	–
6	UGAR PIPE INDUSTRIES PVT LTD	–	–
7	SYNERGY GREEN INDUSTRIES PRIVATE LIMITED	–	–
8	SANGLI FEBRICATORS PRIVATE LIMITED	–	–
9	PRAFULLA SHIRGAOKAR ENTERPRISES LLP	–	–
10	V.S SHIRGAOKAR ENTERPRISES LLP	–	–
11	SHISHIR SHIRGAOKAR ENTERPRISES LLP	–	–
12	D M SHIRGAOKAR ENTERPRISES LLP	–	–

Mrs. Shilpa Naval Kumar age 53 years is a MBA from IIM Kolkata. She is on the Board of the Copmany from 2015. She has a rich experience over 25 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 recognised 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 31.03.2020. Her directorship & committee membership in other companies is given below.

Sr. No.	Directorship in other Companies	Audit Committee	Shareholders / Investor Grievances Committee
1	–	–	–

D. 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. Further Company has devised the Code of Conduct for the Independent Directors as prescribed in the Companies. Act. 2013.

III. Audit Committee:

The Audit Committee presently comprises of Six (6) 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 21st May, 13th August, 08th November, 2019 and 04th February, 2020.

- 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	Chairman	4	3
2. Mr. V. Balasubramanian	Member	4	3
3. Dr. M. R. Desai	Member	4	4
4. Mr. Haribhau Y Athawale(w.e f 14.08.2019)	Member	4	2
5. Mr. Sachin R. Shirgaokar	Member	4	3
6. Mr. Sohan S. Shirgaokar	Member	4	4
7. Mr. M.G. Joshi (Rtd on.14.08.2019)	Member	4	2
8. Mr. Deepak Ghaisas (Rtd on.14.08.2019)	Member	4	0

Committee comprises of majority of Independent Directors with its Chairman as an Independent Director. The Company Secretary Mr. B.G.Kulkarni is Secretary of the Committee.

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

The role of the Audit Committee shall include the following:

1. 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;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to statutory auditors for any other services rendered by them.
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

   4.a. 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.

   4.b. Changes, if any, in accounting policies and practices and reasons for the same.

4.c. Major accounting entries involving estimates based on the exercise of judgment by management.

4.d. Significant adjustments made in the financial statements arising out of audit findings.

4.e. Compliance with listing and other legal requirements relating to financial statements.

4.f. Disclosure of any related party transactions.

4.g. Qualifications in the draft audit report.

5. 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 utilisation 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 effectiveness of 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 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 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 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 victimization of persons who use this mechanism and direct access to the Chairman of 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

IV. Nomination and Remuneration Committee:

- The Nomination & Remuneration Committee comprises of Four (4) directors out of which Three (3) are independent Directors.
- During the year, two meetings of Nomination & Remuneration Committee were held, on 21st May 2019 and 04th February 2020.
- Composition and attendance record of Nomination & Remuneration Committee is given below:

Sr. No.	Directorship in other Companies	Audit Committee	Shareholders / Investor Grievances Committee
1.	Dr. M. R. Desai,	Chairman from 14/08/2019	2
2.	Mr. Sohan Shirgaokar	Member	2
3.	Mr. Hari Y Athawale	Member	1
4.	Mr. S S Gangavati	Member	1
5.	Mr. M.G. Joshi (Rtd on.14.08.2019)	Member	1
6.	Mr. Deepak Ghaisas (Rtd on.14.08.2019)	Chairman up to 14/08/2019	0

- **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 paid / payable to Managing Directors (MD's) for the year ended 31st March, 2020.

(Rs. In Lakh)

Particulars	Salary	Commission	Perquisites	Retirement Benefits	Total
Mr. Niraj S. Shirgaokar (MD)	74.90	27.37	23.69	9.24	135.20
Mr. Chandan S. Shirgaokar (MD)	193.40	27.37	4.46	21.12	246.35

V. Stakeholders' Relationship and Grievance Committee:

- The Stakeholders' Relationship and Grievance Committee comprises of two Independent Directors and two Non-Executive Directors, Mr. V Balasubramanian is Chairman of the Committee.
- During the year under review One (1) Meeting of Stakeholders' Relationship and Grievance Committee was held on 04th February, 2020.
- **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 (14.08.2019)	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	1
5. Mr. M.G. Joshi (Rtd on.14.08.2019)	Chairman up to 14/08/2019	1	0

- **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 transfer and transmission of shares.
  - To look into all the complaints received from the shareholders regarding non- receipt of Balance Sheet, dividend/ interest/ payments on redemption of preference shares, debentures, bonds or such other instruments which are redeemable.
  - Mr. B G Kulkarni, GM Corporate Affairs and 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 31st March, 2020, no complaints were pending.
- There are no transferred of physical shares, as per vide SEBI Notification has Prohibited to transfer of physical shares until Dematerialization w.e.f 01st April 2019.

VI. Operation Committee:

- The Operation Committee comprises of Four (4) Independent Directors and two (2) Non Executive Directors.
- During the year, No meeting of the Operation Committee was held.
- The Composition & attendance record of the Operation Committee is given below:
- Chairman of Committee will be appoint Majority of the Members.

Name of the Directors	Status	No. of Meetings	
		Held	Attended
1. Dr. M.R. Desai	Member	–	–
2. Mr. V. Balasubramanian	Member	–	–
3. Mr. Rakesh Kapoor	Member	–	–
4. Mr. Sachin R. Shirgaokar	Member	–	–
5. Mr. Sohan S. Shirgaokar	Member	–	–
6. Mr. M.G. Joshi (Rtd on.14.08.2019)	Chairman	–	–

- **Terms of Reference:**

  The Operation Committee is empowered to analyse and evaluate the overall performance of the Company. Problems and remedies with respect to the technical issues in the production area and to discuss and resolve the grievances of the employees of the Company.

VII. Corporate Social Responsibility (CSR) Committee:

The CSR Committee comprises of Four (4) Directors out of which two (2) are Independent Directors.During the year, One (1) meeting of the CSR Committee was held on 04th February, 2020

- 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 Shirgaokar	Member	1	1
4. Mr. Sohan Shirgaokar	Member	1	1

- **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 area which the Company will undertake through its various initiatives:

1. Health
2. Education
3. Community Development
4. Natural Calamities
5. Sport Development

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

1. Social impact
2. Visibility to the Company
3. Employee Engagement
4. Duration of the project / activity

VIII. Separate Meeting of Independent Directors:

During the year under review, the Independent Directors met on 04th February, 2020 inter alia, to discuss:

- Evaluation of the performance of Non Independent Directors & the Board of Directors as a whole.
- Evaluation of the performance of 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.

All the Independent Directors were present at the Meeting.

IX. General Body Meetings:

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

Financial Year	AGM	Location	Date	Time
2016-17	AGM	Deccan Manufacturers Associations, Madhav Nagar Road, Sangli - 416 416.	25-09-2017	11.00 a.m.
2017-18	AGM	Deccan Manufacturers Associations, Madhav Nagar Road, Sangli - 416 416.	10-08-2018	11.00 a.m.
2018-19	AGM	Deccan Manufacturers Associations, Madhav Nagar Road, Sangli - 416 416.	14-08-2019	11.00 a.m.

- Special Resolutions passed at the Annual / Extra Ordinary General Meetings/Postal Balllot in past 3 years:
- The Special Resolution has passed through Postal ballot during this year 2019-20 Dated:11.07.2019 as given below.

79th Annual General Meeting:

All the special resolutions were passed through E-voting & Poll conducted at the 79th 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	To consider re-appointment of Mr. Rakesh Kapoor (DIN: 00015358) as an independent Director of the Company for second term for the period of 3 (three) year, up to AGM to be held in 2022.	15,670,786	99.93	11,309	0.07
2	Special	To consider re-appointment of Dr.M R Desai (DIN: 01625500) as an independent Director of the Company for second term for the period of 3 (three) year, up to AGM to be held in 2022.	1,56,01,178	99.48	11,309	0.07
3	Special	To consider re-appointment of Mr. V Balasubramanian (DIN: 00026561)as an independent Director of the Company for second term for the period of 3 (three) year, up to AGM to be held in 2022.	1,56,82,070	100	25	0.00
4	Special	To consider re-appointment of Mr. D B Shah (DIN: 01822411) as an independent Director of the Company for second term for the period of 3 (three) year, up to AGM to be held in 2022.	1,56,52,070	99.81	25	0.00
5	Special	To consider appointment of Mr. S.S. Gangavati (DIN: 06470675), as an independent Director of the Company for the period of three(3) year with effect from this AGM, till the AGM to be held in 2022.	1,56,76,770	99.97	5,325	0.03

Postal Ballot:

- The Special Resolution passed through Postal ballot during this year 2019-20 Dated:11.07.2019

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 as a non-executive director of the Company, from 1st April 2019 till the conclusion of Annual general meeting to be held in 2021	1,471,892	94.28	75,770	4.85
2	Special	Continuation of directorship of Mr. Shishir S Shirgaokar as a non-executive director of the Company, after 16th January 2020 till the conclusion of Annual general meeting to be held in 2021	1,449,981	92.87	66,916	4.29
3	Special	Continuation of Mr. Manohar G Joshi as an independent director of the Company from 1st April, 2019 to till conclusion of Annual General Meeting to be held in the year 2019	44,573,410	99.69	66,208	0.15
4	Special	Continuation of Mr. Deepchand Shah as an independent director of the Company from 1st April, 2019 to till conclusion of Annual General Meeting to be held in the year 2019	44,580,416	99.71	80,182	0.18

5	Special	Continuation of Mr. V. Balasubramanian as an independent director of the Company from 1st April, 2019 to till conclusion of Annual General Meeting to be held in the year 2019	44,588,326	99.73	72,120	0.16
6	Special	Continuation of Mr. Hari Y Athawale as an independent director of the Company to hold office from 1st April, 2019 to till conclusion of Annual General Meeting to be held in the year 2021	44,586,666	99.72	74,306	0.17

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

78th Annual General Meeting:

All the special resolutions were passed through E-voting & Poll conducted at the 78th 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	To consider the reappointment of Mr. Niraj S. Shirgaokar as a Managing Director of the Company for the period of three year from 01.04.2018 to 31.03.2021 and to approve their remuneration pursuant to section 197 & 198 and Schedule V.	2,11,31,908	99.80	34,258	0.16
2	Special	To consider the reappointment of Mr. Chandan S. Shirgaokar as a Managing Director of the Company for the period of three year from 01.04.2018 to 31.03.2021 and to approve their remuneration pursuant to section 197 & 198 and Schedule V.	2,11,36,908	99.83	36,258	0.17

77th Annual General Meeting:

All the special resolutions were passed through E-voting & Poll conducted at the 77th 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	To consider and pay a sum not exceeding one percent per annum of the net profits of the Company calculated in accordance with the provisions of Section 198 of the Act commission payable to Non Executive Directors, other than the Managing Directors	1,61,66,318	99.79	26946	0.17
2	Special	To consider accepting Fixed Deposit from Members & Public pursuant to section 73 & 76 of Companies Act, 2013	1,61,82,764	99.89	12936	0.08

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

X. Other Disclosures:

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

Name of the Directors	Commission Paid (Rs. in Lakh)	Sitting Fees Paid (Rs. in Lakh)	Consultation Fees paid (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 31/03/2020
1. Mr. P. V. Shirgaokar	–	0.80	–	5.99	–	7.60	8,23,929
2. Mr. V. Balasubramanian	–	1.10	–	–	–	–	11,200
3. Mr. Shishir S. Shirgaokar	–	0.60	–	–	–	2.67	3,94,255
4. Mr. M. G. Joshi	–	0.50	–	–	–	6.31	21,000
5. Dr. M. R. Desai	–	1.60	–	–	–	–	69,608
6. Mr. D.B. Shah	–	1.10		0.32	–	–	30,000
7. Mr. Rakesh Kapoor	–	1.00	–	–	–	–	5,000
8. Mr. Sachin R. Shirgaokar	–	1.10	–	–	–	–	15,00,133
9. Mr. Sohan S. Shirgaokar	–	1.60	–	–	–	–	1,45,032
10. Mrs. Shilpa Kumar	–	0.40	–	–	–	–	1,52,600
11. Mr.i Deepak Ghaisas	–	0.00	–	–	–	–	5,000
12. Mr. Hari Y. Athawale	–	1.20	–	–	–	–	58,240
13. Suneeta S Thakur	–	0.50	–	–	–	–	18000
14. Shripad S Gangavati	–	0.80	–	–	–	–	–

Disclosure of Related Party Transactions:

Note:- The transactions executed with the Non-Executive Directors as well as the Related Parties referred 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.
- 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. Company confirms that it has paid the annual listing fees for the year 2019-20 and 2020-21.

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 web site of the Company which can be viewed through

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 preparation of financial statements and no deviation has been made in following the same.

D. 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 mechanism to inform the Board Members about the Risk Assessment and Minimization procedures and periodical reviews, to ensure that risk is controlled. Company has formed a committee named as “Risk Management Committee”. The Policy on Risk Management is placed on the web site 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- Niraj S. Shirgaokar- Member

Chandan S. Shirgaokar- Member

R V Desurkar- Member

B. N. Akiwate- Member

B.G. Kulkarni- Coordinator

E. Subsidiary Companies:

Ugar Theatre Pvt Ltd has become non material 100% Subsidiary Company during the year 2019-20.

F. Associate Companies:

There is no Associate Companies during the year 2019-20

XI. Means of Communication:

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

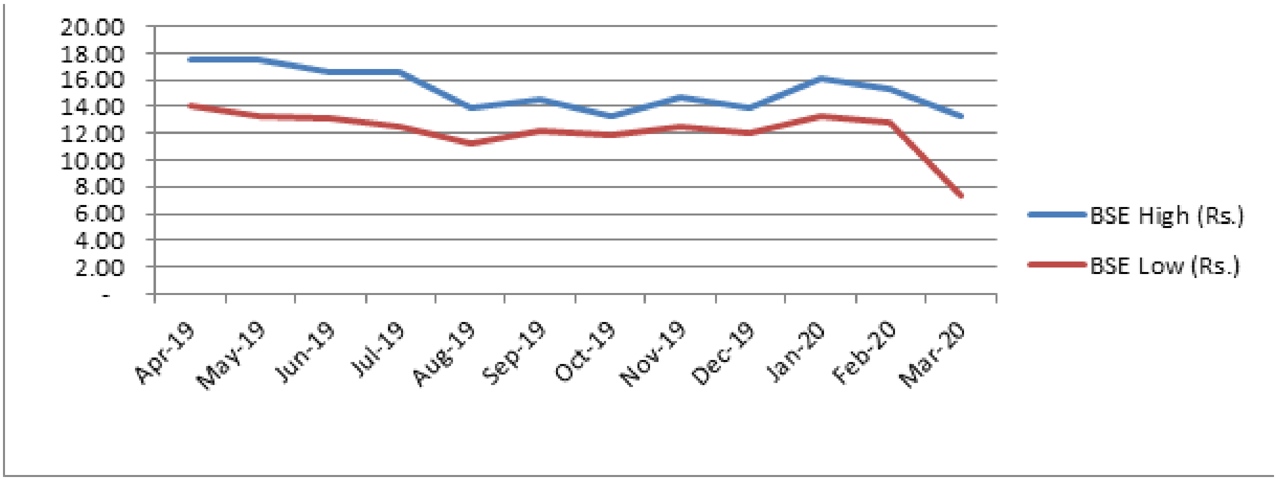
Company has not issued any news releases nor given any presentation to institutional investors or the analysts.

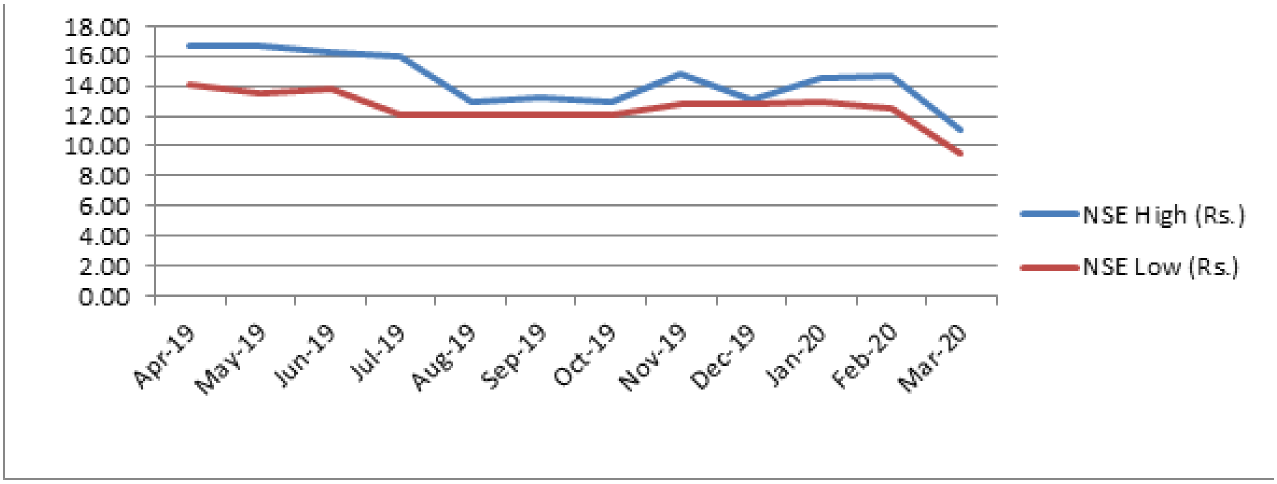
XII. General Shareholders Information.

i.	AGM Date, Time and Venue	23rd September, 2020 at 3.00 pm through VC/OAVM
ii.	Financial Calendar 2020-21	Probable Dates:
	First quarterly un-audited results	Before 15th of August, 2020
	Second quarterly un-audited results	Before 15th of November, 2020
	Third quarterly un-audited results	Before 15th February, 2021
	Fourth & Final quarterly audited results	Before end of May, 2021
iii.	Book Closure Date	12th to 23rd September, 2020
iv.	Dividend payment date	After 29th September, 2020
v.	Listing on Stock Exchange.	Bombay Stock Exchange Ltd.(BSE), National Stock Exchange of India Ltd. (NSE)
vi.	Stock Code: Dematerialization ISIN No.	BSE-530363, NSE- UGARSUGAR-EQ INE-071E01023.
vii.	Payment of Listing Fees	Annual listing fee for the year 2020-21 has been paid by the Company to BSE and NSE.
viii.	Payment of Depository Fees	Annual Custody / Issuer fee for the year 2020-21 has been paid by the Company to NSDL and CDSL

ix. Market Price Data High/ Low during each month of Financial Year 2019-20 at BSE & NSE

NSE			BSE		
Months	High (Rs.)	Low (Rs.)	Months	High (Rs.)	Low (Rs.)
Apr-19	16.75	14.15	Apr-19	17.50	14.00
May-19	16.65	13.50	May-19	17.55	13.30
Jun-19	16.30	13.80	Jun-19	16.65	13.20
Jul-19	16.00	12.10	Jul-19	16.65	12.50
Aug-19	12.95	12.10	Aug-19	13.90	11.20
Sep-19	13.20	12.10	Sep-19	14.50	12.21
Oct-19	13.01	12.15	Oct-19	13.30	11.81
Nov-19	14.75	12.85	Nov-19	14.71	12.50
Dec-19	13.04	12.80	Dec-19	13.99	12.00
Jan-20	14.60	12.90	Jan-20	16.15	13.24
Feb-20	14.65	12.50	Feb-20	15.40	12.75
Mar-20	11.10	9.55	Mar-20	13.35	7.30





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

x. Share Transfer System:

With effect from 5th December 2018, no physical shares are transferred. Only transmission of shares are 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, transmission of Shares is approved by Share Transfer Committee consisting of Managing Director and Company Secretary, fortnightly based upon the number of transmission applications received from Registrar & Share Transfers Agents.

xi. Distribution of Shareholding as on 31st March, 2020

No. of equity shares held	No. of Folios / Shareholders	No. of Shares held	% of Share holding
Upto 5,000	27626	2,66,80,307	23.72
5,001 to 10,000	1611	1,18,90,136	10.57
10,001 to 20,000	621	85,50,617	7.60
20,001 to 30,000	147	36,11,494	3.21
30,001 to 40,000	48	16,57,884	1.47
40,001 to 50,000	29	12,98,654	1.15
50,001 to 1,00,000	44	30,92,343	2.75
More than 1,00,000	58	5.57.18.565	49.53
Total	**30,184**	**11,25,00,000**	**100**

xii. Shareholding Pattern as on 31st March, 2020.

Category	No. of Share held	% of Total Share holding
Promoter Group	5,08,75,786	45.22
Banks, Financial Institutions, Insurance Companies,	39,991	0.04
Foreign Financial Institutions	0.00	0.00
IEPF	3,02,531	0.27
Indian Public	5,45,98,650	48.53
Other (incl. N. R. I., Private Corporate Bodies and Trust, Clearing Member)	6,6,83,042	5.94
G. D. R. / A. D. R.	0.00	0.00
Total	**11,25,00,000**	**100.00**

xiii. Other Information:

Dematerialization of shares	Nearly 83.68% of total equity share capital (9,41,38,978 eq. shares) is held in dematerialized form with NSDL and CDSL as on 31st March, 2020.
Registrar and Share Transfer Agent:	Bigshare Services Pvt. Limited. 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, MUMBAI – 400 059. (MAH) Ph. No. 022-62638200, Fax No. 022-62638299
Plant Locations: Sugar, Distillery, Co-Generation Jewargi Unit–Sugar & Co-generation:	 Ugar Khurd – 591 316. Tal. Athani Dist. Belgaum, Karnataka. Malli, Taluka – Jewargi, Dist- Kalaburgi, Karnataka.
Address for correspondence Registered Office: Factory (Administrative Office)	The Ugar Sugar Works Limited. Mahaveer nagar (Wakhar bhag), Sangli 416416, Maharashtra State. Ph. No. 0233-2623717 Fax: 2623617 Email: usw.sangli@ugarsugar.com 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

As per our seperate report attached.

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

Chandan S. Shirgaokar
Managing Director
(DIN: 00208200)

Place : Sangli
Date : 26-06-2020

B. G. Kulkarni
GM Corp. Affairs &
Company Secretary
(FCS-2805)

R. V. Desurkar
GM- Finance
(ACA-23771)

XII. 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 R. V. Desurkar, General 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;

A.i) These statements do not contain any materially untrue statement or omit any material fact or contain any statement that may be misleading,

A.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	**Chandan S. Shirgaokar**	**R. V. Desurkar**
Managing Director	Managing Director	General Manager Finance
(DIN: 00254525)	(DIN: 00208200)	(ACA-23771)

Place : Registered office Sangli
Date : 26-06-2020

DECLARATION ON COMPLIANCE OF THE COMPANY'S CODE OF CONDUCT

To,
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, 2020.

	Niraj S. Shirgaokar	**Chandan S. Shirgaokar**
Place : Pune	Managing Director	Managing Director
Date : 26-06-2020	(DIN: 00254525)	(DIN: 00208200)

CERTIFICATE FROM AUDITORS REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

The Members,
The Ugar Sugar Works Limited,
Mahaveernagar (Wakharbhag),
Sangli (MH) – 416 416

Independent Auditors' Certificate on Compliance of conditions of Corporate Governance

We have examined the compliance of conditions of Corporate Governance by The Ugar Sugar Works Limited ('the Company') for the year ended 31st March, 2020 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').

The compliance of conditions of Corporate Governance is the responsibility of the Management. 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.

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.

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.

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.

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

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.

The certificate is issued solely for the purpose of complying with the aforesaid SEBI Listing Regulations.

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

Place : Pune
Date : 26-06-2020

Parag Pansare
Partner
Membership No. 117309

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 standalone financial statements of The Ugar Sugar Works Limited ("the Company"), which comprise the Standalone Balance Sheet as at March 31, 2020, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, 2020, 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 standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone 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 standalone 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 standalone 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 standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1.	**Accounting for Government Subsidy** We identified Accounting for Government Subsidy as a key audit matter for the Company because recognition of subsidy revenue and assessment of recoverability of related subsidy receivable is subject to significant judgement of the Management. The area of subjectivity and judgement include interpretation and satisfaction of conditions specified in notification, amount to be recognised, recoverability of subsidy. During the year the Company has recognized the export subsidy of Rs. 4,481.34 Lakhs and Buffer stock subsidy of Rs.522.26 Lakhs which are significant to the Standalone Financial Statements.	Our audit approach consisted of Understanding and evaluating the design and testing of operating effectiveness of controls as established by the Management in recognition of subsidy. • We evaluated the Management's assessment regarding reasonable certainty of complying with the relevant conditions specified in the notification issued by the Government of India. • We understood the basis of judgement that the Management has made in relation to the notification and subsequent evidence, as applicable. • We considered the notifications issued by Government of India's Ministry of Consumer Affairs, Food & Public Distribution to ascertain the appropriateness of the recognition of subsidy revenue and subsequent adjustments on account of uncertainty of recoverability. • We tested the ageing of related receivables and assessed the information used by the Management to determine its recoverability. Based on above procedures performed, we concluded that the Government subsidy is appropriately accounted for.
2.	**Contingent Liability** The Company is involved in direct and indirect tax litigations of Rs. 614.99 Lakhs. The Company has also provided Corporate guarantee of Rs. 12,125 Lakhs to the Bankers for Harvesting and Transportation Loan. 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. (Refer Note D (1) to Standalone Financial Statements)	Our procedures included, but were not limited to, the following: • 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. • 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. • Assessed management's discussions held with their legal consultants and understanding precedents in similar cases. • 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 Standalone financial statements

Information Other than the Standalone 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 information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone 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 standalone 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the 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 the 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 Standalone financial statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone 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 standalone 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 the 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 standalone 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 the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure B", a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, based on our audit we report, to the extent applicable 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.

c. The Standalone Balance Sheet, the Standalone Statement of Profit and Loss including Other Comprehensive Income, the Standalone Statement of Cash Flow and Standalone Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.

d. In our opinion, the aforesaid Ind AS standalone financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014.

e. On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 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 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 provision of section 197 of the Act.

h. 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 to us:

   I. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS standalone financial statements – Reference for the same is given in Ind AS notes to standalone 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.

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

Parag Pansare
Partner
Membership No: 117309
UDIN - 20117309AAAAGN6773
Pune, June 26, 2020

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 Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of THE UGAR SUGAR WORKS LIMITED ("the Company") as of March 31, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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 standalone 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 Over Financial Reporting

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 standalone 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 standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of the Management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Limitations of Internal Financial Controls Over Financial Reporting

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 as at March 31 2020 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 March 31, 2020 standalone financial statements of the Company, and these weaknesses do not affect our opinion on the standalone financial statements of the company.

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

Parag Pansare
Partner
Membership No: 117309
UDIN - 20117309AAAAGN6773
Pune, June 26, 2020

Place : Pune
Date : 26-06-2020

Annexure "B" to the Independent Auditor's Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

(b) The Company has a program of verification of property, plant and equipment to cover all the items in a phased manner over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain property, plant and equipment were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(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 are held in the name of the Company.

(ii) The inventory has been physically verified at reasonable intervals by the Management and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable and adequate, considering the size of the Company and the nature of its business.

(iii) The Company has not granted any loans, secured or unsecured, to Companies, Firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act. Accordingly, paragraph 3(iii) of the Order is not applicable.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, in respect of loans, investments, guarantees and security.

(v) According to information and explanation given to us, the Company has not accepted any deposits from public. Accordingly, the reporting under Clause 3(v) of the Companies (Auditor's Report) Order, 2016, is not applicable.

(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 accounts and 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 generally been regular in depositing undisputed statutory dues including Provident Fund, Income Tax, Sales Tax, Value Added Tax, Duty of Customs, Duty of Excise, Service Tax, Goods & Service Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, Income Tax, Sales Tax, Value Added Tax, Duty of Customs, Duty of Excise, Service Tax, Goods & Service Tax, Cess and other material statutory dues were in arrears as at 31st March, 2020 for a period of more than six months from the date they became payable.

(c) Details of dues of Income-tax, Excise Duty and Value Added Tax which have not been deposited as on 31st March, 2020 on account of disputes are given below.

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
Central Excise Act 1944	CENVAT Credit demand issues	14.61	2006-07	CESTAT, Bangalore
Central Excise Act 1944	CENVAT Credit demand issues	45.84	2007-08	CESTAT, Bangalore
Central Excise Act 1944	CENVAT Credit demand issues	15.36	2008-09	CESTAT, Bangalore
Central Excise Act 1944	CENVAT Credit demand issues	3.03	2010-11	CESTAT, Bangalore
Central Excise Act 1944	Reversal on Rectified Spirit Sold or transferred to IML	151.34	2008-13	CESTAT, Bangalore
Central Excise Act 1944	CENVAT Credit demand issues	26.65	2012-13	Assistant Commissioner of Central Excise, Belagavi
Central Excise Act 1944	CENVAT Credit demand issues	0.30	2014-15	Commissioner of Central Excise, (GST), Belagavi
Central Excise Act 1944	CENVAT Credit demand issues	1.30	2015	Commissioner of Central Excise (Appeals), Mysore
Central Excise Act 1944	CENVAT Credit demand issues	14.08	2016-17	Commissioner of Central Excise (Appeals), Belagavi
Central Excise Act 1944	CENVAT Credit demand issues	61.55	2017-18	CESTAT, Bangalore
Central Excise Act 1944	CENVAT Credit demand issues	61.20	2017-18	CESTAT, Bangalore
Income Tax Act 1961	Dispute of tax u/s 115JB	189.53	AY 2012-13	Income Tax Appellate Authority, Pune
Income Tax Act 1961	Dispute of tax u/s 115JB	9.27	AY 2014-15	Income Tax Appellate Authority, Pune
Income Tax Act 1961	Dispute of tax u/s 115JB	0.79	AY 2016-17	CIT (A), Kolhapur
Karnataka Tax on Entry of Goods Act 1979	Entry tax issues Commercial Taxes	20.14	AY 2011-12	Commissioner of Commercial Taxes (Appeals) Belagavi

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks and government and dues to the debenture holders.

(ix) In our opinion and according to the information and explanations given to us, the term loans taken by the Company have been applied for the purpose for which they were raised. The Company has not raised money by way of further public offer (including debt instruments) during the year.

(x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has paid/ provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xii) 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 Ind AS standalone financial statements as required by the applicable accounting standards.

(xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under paragraph 3(xiv) of the Order is not applicable to the Company.

(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) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3(xvi) of the Order are not applicable to the Company and hence not commented upon.

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

Parag Pansare
Partner
Membership No: 117309
UDIN - 20117309AAAAGN6773
Pune, June 26, 2020

Balance Sheet as at 31st March 2020

(Amount in Rs. Lakhs)

Particulars	Ref. to Notes	As At 31 March 2020	*As At 31 March 2019*
ASSETS			
Non-current Assets			
Tangible Assets			
Property, plant and equipment	1A.	13,556.42	*15,158.25*
Capital work in progress	1A.	84.54	*42.11*
Investment property	1B.	8.04	*8.56*
Intangible Assets			
Other Intangible assets	2	5.27	*18.14*
Financial assets			
Non - Current Investments	3A.	418.35	*421.03*
Non - Current Loans & Advances	4A.	3.50	*3.50*
Other Non - Current Financial Assets	5A.	63.97	*91.95*
Other non-current assets	6	362.08	*375.87*
Current Assets			
Inventories	7	58,776.68	*65,717.54*
Financial Assets			
Trade receivables	8	1,153.54	*2,831.35*
Cash and cash equivalents	9	1,132.18	*345.36*
Others	5B	6.83	*3.90*
Current Tax Assets (net)	10	459.18	*456.59*
Other current assets	11	6,929.85	*2,815.23*
Total		**82,960.43**	***88,289.38***
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	12	1,125.00	*1,125.00*
Other Equity	13		
Share Premium	13A	1,575.00	*1,575.00*
Retained Earnings	13A	1,376.65	*-6,083.73*
Other Reserves	13A	2,267.58	*8,351.31*
Other Comprehensive Income	13B	17.38	*145.68*
Non-current Liabilities			
Financial Liabilities			
Long Term Borrowings	14A	4,848.25	*–*
Long Term Provisions	15A	360.05	*335.93*
Deferred tax liabilities (Net)	16B	1,075.20	*1,130.27*

Balance Sheet as at 31st March 2020

(Amount in Rs. Lakhs)

Particulars	Ref. to Notes	As At 31 March 2020	*As At 31 March 2019*
EQUITY AND LIABILITIES			
Current Liabilities			
Financial Liabilities			
Borrowings	14B	36,619.76	*40,854.43*
Trade payables	17 (i)		
Total outstanding dues of micro enterprises and small enterprises		17.28	*42.98*
Total outstanding dues other than micro enterprises and small enterprises		17,095.10	*20,264.79*
Other payables	17 (ii)		
Total outstanding dues of micro enterprises and small enterprises		–	–
Total outstanding dues other than micro enterprises and small enterprises		116.67	*331.95*
Other financial liabilities	18	10,862.91	*15,387.26*
Provisions	15B	1,464.65	*1,083.45*
Other current liabilities	19	4,138.94	*3,745.05*
Total		**82,960.43**	***88,289.38***
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

Parag Pansare
Partner
Memb. No. 117309

Place : Pune
Date : 26-06-2020

Niraj S. Shirgaokar
MD (DIN-00254525)

Chandan S. Shirgaokar
MD (DIN-00208200)

R. V. Desurkar
GM Finance
(ACA-23771)

B. G. Kulkarni
GM-Corp. Aff. & Co. Sec.
(FCS-2805)

Regd office sangli
26-06-2020

Statement of Changes in Other Equity For the year ended 31st March 2020

(Amount in Rs. Lakh)

Particulars	Equity Share Capital	Reserve and Surplus			Items of OCI	Total
		Share Premium	General Reserve	Retained Earnings	Others	
As at 1st April 2018	1,125.00	1,575.00	8,351.31	(6,518.26)	0.34	4,533.39
Profit/ Loss for the period				434.54		434.54
Acturial Gain / (Loss) Net of Tax					145.35	145.34
As at 31st March 2019	1,125.00	1,575.00	8,351.31	(6,083.72)	145.69	5,113.27
						–
As at 1st April 2019						–
Profit / Loss for the period				1,376.65		1,376.65
Acturial Gain / (Loss) Net of Tax					(128.30)	(128.30)
Less : Transfer to General Reserve for setting off				6,083.73		6,083.73
Less : Previous year losses set off			(6,083.73)			(6,083.73)
As at 31st March 2020	1,125.00	1,575.00	2,267.58	1,376.65	17.39	6,361.63

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 : Pune
Date : 26-06-2020

Niraj S. Shirgaokar
MD (DIN-00254525)

Chandan S. Shirgaokar
MD (DIN-00208200)

R. V. Desurkar
GM Finance
(ACA-23771)

B. G. Kulkarni
GM-Corp. Aff. & Co. Sec.
(FCS-2805)

Regd office sangli
26-06-2020

Statement of Profit and Loss Account for the year ending 31st March 2020

(Amount in Rs. Lakh)

Particulars	Ref. to Notes	As At 31 March 2020	*As At 31 March 2019*
Continuing Operations			
I Revenue From Operations	20	1,01,101.18	*90,292.69*
II Other Income	21	280.57	*924.60*
III **Total Income (I+II)**		**1,01,381.75**	***91,217.29***
IV Expenses			
(a) Cost of materials consumed	22A	57,243.99	*62,589.55*
(b) Other Manufacturing Expenses	22B	2,389.03	*2,347.16*
(c) Purchases of Stock-in-Trade	23	3,521.15	*3,478.28*
(d) Changes in inventories of finished goods, Stock-in-Trade and work-inprogress	24	7,110.32	*(7,100.77)*
(e) Employee benefits expenses	25	6,997.69	*6,354.69*
(f) Finance costs	26	4,313.22	*3,806.17*
(g) Excise Duty on Goods Sold		14,062.76	*15,268.42*
(h) Depreciation and amortization expense	27	1,374.05	*1,545.39*
(i) Other expenses	28	2,979.04	*2,381.02*
Total expenses (IV)		**99,991.25**	***90,669.91***
V Profit/(loss) before exceptional items and tax from continuing operations		1,390.50	*547.38*
VI Exceptional Items		–	
Profit/(loss) before tax from continuing operations		1,390.50	*547.38*
Tax expense:			
(1) Current tax		–	
(2) Deferred tax	17 B	13.85	*112.51*
(3) Short/(Excess) Provision for earlier years		–	*0.33*
Profit (Loss) for the period from continuing operations		1,376.65	*434.54*
Discontinued Operations			
Profit/(loss) from discontinued operations			
Tax expense of discontinued operations			
Profit/(loss) from Discontinued operations (after tax)		–	–
Profit/(loss) for the year		1,376.65	434.54
Other Comprehensive Income			
A. Other Comprehensive Income to be reclassified to profit or loss in subsequent periods			
(i) Items that will not be reclassified to profit or loss		(197.21)	218.18
(ii) Income tax relating to items that will not be reclassified to profit or loss		68.92	*72.84*
Net Other Comprehensive Income to be reclassified to profit or loss in subsequent periods		(128.29)	*145.34*

Statement of Profit and Loss Account for the year ending 31st March 2020

(Amount in Rs. Lakh)

Particulars	Ref. to Notes	As At 31 March 2020	*As At 31 March 2019*
B. Other Comprehensive Income not to be reclassified to profit or loss in subsequent periods			–
(ii) Income tax relating to items that will be reclassified to profit or loss			–
Net Other Comprehensive Income not to be reclassified to profit or loss in subsequent periods			
Other Comprehensive Income (net of tax)			
Total Comprehensive Income for the year (net of tax)		1,248.36	*579.88*
Earnings per share for Continuing Operations			
Basic computed on the basis of profit from Continuing Operations		1.22	*0.39*
Diluted computed on the basis of profit from Continuing Operations		1.22	*0.39*
Earnings per share for Discontinued Operations			
Basic computed on the basis of profit from iscontinued Operations		–	–
Basic computed on the basis of profit from Discontinued Operations		–	–
Earnings per share for Continuing and Discontinued Operations			
Basic computed on the basis of profit for the year		1.22	*0.39*
Diluted computed on the basis of profit for the year		1.22	*0.39*

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 : Pune
Date : 26-06-2020

Niraj S. Shirgaokar
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Regd office sangli
26-06-2020

Standalone Statement of Cash Flows for the year ended 31st March 2020

(Amount in Rs. Lakh)

	Particulars	Financial Year 31-03-2020	Financial Year 31-03-2019
A.	Net profit before tax and extraordinary items	1,390.50	547.38
	Adjustment for:		–
	Depreciation	1,366.43	1,541.58
	Amortisation of Intangible Assets	7.63	3.81
	Provision for Doubtful Debts	123.85	24.21
	Loss/Gain on Disposal/Adjustment of PPE	291.46	(59.97)
	Finance Costs	4,313.22	3,806.17
	Investment Income	(13.01)	(9.93)
		6,089.57	5305.88
	Operating profit before working capital changes	7,480.07	5,853.26
	Decrease (Increase) in trade receivables , advances and other assets	(2,518.88)	1,300.95
	Decrease (Increase) in Inventories	6,940.87	(6,702.98)
	Increase (Decrease) in trade payables , provisions and other liabilities	(7,301.94)	(4,990.21)
		(2,879.96)	–
	Cash Generated from operations	4,600.11	(4,538.99)
	Direct Tax	(2.59)	(103.87)
	Cash flow before extraordinary items	4,597.53	(4,642.85)
	Extraordinary items	–	–
	Net cash from Operating activities	4,597.53	(4,642.85)
B.	Cash flow from investing activities	–	–
	Purchase of property, plant and equipment	(134.33)	(293.03)
	Proceeds from sale of Assets	–	–
	Purchase / Sale of Investments	2.68	29.52
	Purchase / Sale of Investments in a Subsidiary company	–	–
	Advance against subscription to Shares	–	–
	Interest and Dividend received	10.08	15.84
	Capital Subsidy Received	–	–
	Net cash from investing activities	(121.57)	(247.67)
C.	Cash flow from financing activities	–	–
	Interest paid	(4,302.72)	(3,820.55)
	Proceeds / (Repayment) from long term borrowings (net)	4,848.25	(1,056.95)
	Proceeds / (Repayment) from short term borrowings (net)	(4,234.67)	7,830.47
	Net cash from Financing activities	(3,689.14)	2,952.97
D.	Net increase/(decrease) in Cash and Cash equivalents (A+B+C)	786.82	(1,937.55)
E.	Opening Cash and Cash equivalents	345.36	2,282.91
F.	Closing Cash and Cash equivalents	1,132.18	345.36

Notes to Cash Flow Statement

1 Cash Flow Statement has been prepared under indirect method as set out in Ind AS 7.

2 Purchase of property, plant and equipment includes movement in Capital Work in Progress and Capital Advances

3 Figures for the previous year have been regrouped where necessary

As per our report attached

For **M/s Kirtane & Pandit LLP**
Chartered Accountants
Firm Regn. No. 105215W/W100057
Parag Pansare
Partner
Memb. No. 117309
Place : Pune
Date : 26-06-2020

Niraj S. Shirgaokar
MD (DIN-00254525)

R. V. Desurkar
GM Finance
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Regd office sangli
26-06-2020

Chandan S. Shirgaokar
MD (DIN-00208200)

B. G. Kulkarni
GM-Corp. Aff. & Co. Sec.
(FCS-2805)

Notes to Financial Statements for the Financial Year Ended March 31 2020

Note No. 1 Tangible Assets
1A. Property Plant and Equipment

Particulars	Free hold Land	Building	Plant and Equipments (owned)	Office Equipments	Vehicles	Total Property Plant & Equipments	Capital Work in Progress
Cost or Valuation							
Balance as on 01 April 2018	433.50	3,496.79	45,536.59	437.19	918.09	50,822.17	107.94
Additions during 01 April 2018 to 31 March 2019	–	17.73	211.80	44.33	35.25	309.11	31.98
Reclassification of Non Current Assets Held for Sale	–	–	527.66	–	–	527.66	–
Disposals during 01 April 2018 to 31 March 2019	–	–	–	-0.83	–		(97.81)
Balance as on 31 March 2019	433.50	3,514.52	46,276.05	480.70	953.34	51,658.11	42.11
Balance as on 31 March 2019	433.50	3,514.52	46,276.05	480.70	953.34	51,658.11	42.11
Additions during 01 April 2019 to 31 March 2020	–	–	34.02	14.25	2.04	50.30	103.68
Reclassification of Non Current Assets Held for Sale	–	–	–	–	–	–	–
Disposals during 01 April 2019 to 31 March 2020	–	–	(1,291.67)	–	–	(1,291.67)	(61.25)
Balance as on 31 March 2020	**433.50**	**3,514.52**	**45,018.40**	**494.94**	**955.38**	**50,416.74**	**84.54**
Accumulated Depreciation							
Balance as on 01 April 2018	–	2,038.86	30,910.63	400.53	669.13	34,019.14	–
Depreciation charge for the year ended 31 March 2019	–	91.04	1,352.74	19.07	78.16	1,541.01	–
Disposal/Adjustment during 01 April 2018 to 31 March 2019	–	-1.20	(56.75)	(0.56)	0.09	(58.42)	–
Reclassification of Non Current Assets Held for Sale							
Balance as on 31 March 2019	–	2,128.70	32,707.89	419.04	747.38	36,003.01	–
Depreciation charge for the year ended 31 March 2020	–	84.44	1,195.47	25.75	60.25	1,365.90	–
Disposal/Adjustment during 01 April 2019 to 31 March 2020	–	1.03	(1,007.17)	0.65	0.03	(1,005.45)	–
Balance as on 31 March 2020	–	**2,214.17**	**32,896.20**	**445.44**	**807.66**	**36,363.47**	–
Impairment of Assets							
Balance as on 01 April 2018	–	–	496.86	–	–	496.86	–
Change for the Year 2018-19	–	–	–	–	–	–	–
Balance as on 31 March 2019	–	–	496.86	–	–	496.86	–
Change for the Year 2018-19	–	–	–	–	–	–	–
Balance as on 31 March 2020	–	–	496.86	–	–	496.86	–
Net Book Value							
As on 01.04.2018	433.50	1,457.93	14,129.11	36.66	248.96	16,306.17	107.94
As on 31.03.2019	433.50	1,385.82	13,071.30	61.66	205.97	15,158.25	42.11
As on 31.03.2020	**433.50**	**1,300.35**	**11,625.33**	**49.51**	**147.72**	**13,556.42**	**84.54**

Notes to Financial Statements for the Financial Year Ended March 31 2020

1B. Investment Property (Amount in Rs. Lakhs)

Particulars	Amount
Cost	
Balance as on 01 April 2018	**29.82**
Additions (subsequent expenditure) during 01 April 2018 to 31 March 2019	–
Balance as on 31 March 2019	29.82
Additions (subsequent expenditure) during 01 April 2019 to 31 March 2020	–
Balance as on 31 March 2020	29.82
Accumulated Depreciation	
Balance as on 01 April 2018	20.69
Depreciation charge for the year ended 31 March 2019	0.57
Impairment for the year ended 31 March 2019	–
Balance as on 31 March 2019	21.26
Depreciation charge for the year ended 31 March 2020	0.52
Impairment for the year ended 31 March 2020	–
Balance as on 31 March 2020	**21.78**
Net Book Value	
As at 31.03.2018	9.12
As at 31.03.2019	8.56
As at 31.03.2020	**8.04**

Note No. 2 Intangible Assets (Amount in Rs. Lakhs)

Particulars	Computer Software
Cost	
Balance as on 31 March 2018	203.03
Additions during 01 April 2018 to 31 March 2019	0.50
Disposals during 01 April 2018 to 31 March 2019	
Balance as on 31 March 2019	203.53
Additions during 01 April 2019 to 31 March 2020	–
Disposals during 01 April 2019 to 31 March 2020	
Discontinued Operations	
Balance as on 31 March 2020	203.53
Accumulated Amortisation and impairment	
Balance as on 1 April 2018	183.13
Amortisation during 1 April 2018 to 31 March 2019	3.81
Disposal/Adjustment during 01 April 2018 to 31 March 2019	(1.55)
Balance as on 31 March 2019	185.39
Amortisation during 1 April 2019 to 31 March 2020	7.63
Disposals/Adjustment during 01 April 2019 to 31 March 2020	5.24
Balance as on 31 March 2020	198.26
Net Book Value	
As at 31.03.2018	19.90
As at 31.03.2019	18.14
As at 31.03.2020	**5.27**

Notes to Financial Statements for the Financial Year Ended 31-03-2020

Note No. 3A : Non Current Investments (Amount in Rs. Lakhs)

Particulars	As on 31 March 2020	*As on 31 March 2019*
Investments at Fair Value through Profit and Loss		
a. Investment in Mutual Funds		
(i) 37,979.28 (35201.263) Units of Rs. 10 each of UTI Balanced Fund (At NAV)	7.80	*10.47*
b. Investment in Preference Shares		
(ii) 4,75,000 (6,40,000) 10% Cumulative Redeemable Preference Shares of Rs. 100 each of Synergy Green Industries Ltd. (At Fair Value)	356.87	*356.87*
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) 2274 (1,096) Equity Shares of Rs. 100 each of Ugar Theatres Pvt. Ltd.	48.68	*3.91*
(ii) 2,27,500 (2,27,500) Equity Shares of Rs. 10 each of Ugar Quality Packaging Pvt. Ltd.	22.75	*22.75*
(iii) 3,750 (3,750) Shares of Rs. 10 each of Sangli Urban Co-operative Bank Ltd.	5.00	*5.00*
(iv) 30 (0) Shares of Rs. 50 each of Dombivali Nagari Sahakari Bank (At Cost)	0.02	*0.02*
Sub-Total	**76.44**	***31.68***
Advance against Purchase of Shares		
(i) Ugar Theatres Pvt. Ltd.	–	*44.76*
Sub-Total	–	***44.76***
Provision for diminution in value of investments	**(122.75)**	***(122.75)***
Total	**418.35**	***421.03***

Notes to Financial Statements for the Financial Year Ended 31-03-2020

Note No. 4A : Non Current Loans & Advances (Amount in Rs. Lakhs)

Particulars	As on 31 March 2020	*As on 31 March 2019*
Advance to Trusts - Babukaka Shirgaokar Tech. Edu. Trust	3.50	*3.50*
Total	**3.50**	***3.50***

Note No. 5A : Other Non Current Financial Assets (Amount in Rs. Lakhs)

Particulars	As on 31 March 2020	*As on 31 March 2019*
Security Deposits considered good	63.97	*91.95*
Considered Doubtful	28.00	–
Sub-Total	**91.97**	*91.95*
Less: Provision for Doubtful	28.00	–
Sub-Total		
Non-Current portion in term deposits with banks with original maturity for more than 12 months		
Total	**63.97**	***91.95***

Note No. 5B : Other Current Financial Assets (Amount in Rs. Lakhs)

Particulars	As on 31 March 2020	*As on 31 March 2019*
Accrued Interest on Bank Deposits & Advances	6.83	*3.90*
Total	**6.83**	***3.90***

Note No. 6 - Other Non Current Assets (Amount in Rs. Lakhs)

Particulars	As on 31 March 2020	*As on 31 March 2019*
Long Term Receivables (Unsecured, Considered Good)		
Interest Accrued on NSC and Bank Deposits		
VAT & Excise (Appeal) Receivable	45.31	*57.10*
Capital Advance Paid to Others	263.76	*263.76*
Security deposits with Government Authorities	53.01	*55.01*
Total	**362.08**	***375.87***

Notes to Financial Statements for the Financial Year Ended 31-03-2020

Note No. 7 - Inventories (Amount in Rs. Lakhs)

Particulars	As on 31 March 2020	*As on 31 March 2019*
Raw material (at cost)		
Crop in Progress	10.57	*46.71*
Other Raw Material	107.87	*86.52*
Finished Goods (at lower of cost and net realisable value)		
Sugar, Molasses and Spirit	56,746.43	*63,731.81*
Bagasse- Own	628.73	*726.86*
Stock in Trade		
Petroleum Products, Cane Development Material	76.12	*43.67*
Stores, Spares, Fuel		
Stores, Spare Parts and Others	1,206.96	*1,081.97*
Total	**58,776.68**	***65,717.54***

Note No. 8 : Current Trade Receivables (Amount in Rs. Lakhs)

Particulars	As on 31 March 2020	*As on 31 March 2019*
Trade Receivable		
Considered Good	1,153.54	*2,831.35*
Considered Doubtful	187.44	*75.56*
Provision for Doubtful debts	187.44	*75.56*
Total Trade Receivables	1,153.54	*2,831.35*

Note No. 9 : Cash & Cash Equivalents (Amount in Rs. Lakhs)

Particulars	As on 31 March 2020	*As on 31 March 2019*
Cash in Hand	**16.41**	***18.24***
Balances with Bank :		
- Balances with banks in Current Accounts :	974.20	*182.53*
- Earmarked for Unpaid dividends	31.30	*40.27*
	1,005.49	***222.80***
Balances in Term Deposits :		
(With Original Maturity for more than 12 months)		
- For Issue of bank guarantees	110.27	*87.12*
- Others	---	*17.20*
	110.27	*104.32*
Total	**1,132.18**	***345.36***

Notes to Financial Statements for the Financial Year Ended 31-03-2020

Note No. 10 : Current Tax Assets (Net) (Amount in Rs. Lakhs)

Particulars	As on 31 March 2020	As on 31 March 2019
Advance Payment of Taxes	2,415.94	2,413.35
MAT Credit Receivable	407.24	407.24
Sub-Total	**2,823.18**	**2,820.59**
Less : Tax Provision	2,364.00	2,364.00
Total	**459.18**	**456.59**

Note No. 11 : Other Current Assets (Amount in Rs. Lakhs)

Particulars	As on 31 March 2020	As on 31 March 2019
Balances with Government Authorities	168.25	149.50
Advances to Cultivators and Cane-Growers		
Considered Good	1,316.38	1,823.24
Considered Doubtful	289.12	305.15
Sub-Total	**1,605.50**	**2,128.39**
Less: Provision for Doubtful Advances	(289.12)	(305.15)
Sub-Total	**1,316.38**	**1,823.24**
Advances to Employees	56.85	42.63
Advances for Capital Goods & Spares	2.47	12.34
Advances for Materials & Services	100.54	67.30
Advances for Others	35.74	113.51
Sub-Total	**195.60**	**235.78**
Subsidy Receivable from Government	5,003.60	458.06
Prepaid expenses	88.89	76.73
Excess Interest Recovered by Banks - Receivable	153.45	5.57
Transport Subsidy Receivable	3.69	66.35
Total	**6,929.85**	**2,815.23**

Notes to Financial Statements for the Financial Year Ended 31-03-2020

Note No. 13 : Share Capital

Authorised Share Capital (Figures in Lakhs)

Particulars	Equity Shares No.	Equity Shares Amount in Rs.
At 31 March 2019	2,000.00	*2,000.00*
Increase during the year	–	–
(Decrease) during the year	–	–
At 31 March 2020	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

Issued Equity Capital (Figures in Lakhs)

Particulars	No.	Amount in Rs.
Equity shares of Rs. 1 each issued , subscribed and fully paid up		
At 31 March 2019	1,125.00	*1,125.00*
Increase during the period	–	–
(Decrease) during the year	–	–
At 31 March 2020	1,125.00	*1,125.00*

Details of shareholders holding more than 5% shares in the company (Figures in Lakhs)

Particulars	No.	No.
SB Reshellers Private Limited	197.04	*194.92*
Percentage Holding in the class	17.51	*17.33*
Total	**197.04**	***194.92***

Notes to Financial Statements for the Financial Year Ended 31-03-2020

Note No. 13: Other Equity

Note No. 13 (i): Reserves and Surplus

(Amount in Rs. Lakh)

Particulars	As on 31 March 2020	As on 31 March 2019
Securities Premium		
As per last Balance Sheet	1,575.00	1,575.00
Appropriation for the year		
General Reserve		
As per last Balance Sheet	8,351.31	8,351.31
Appropriation for the year		
Less : Previous year losses set off	(6,083.73)	–
	2,267.58	**8,351.31**
Retained Earnings		
As per last Balance Sheet	(6,083.73)	(6,518.27)
Profit/(Loss) carried from Statement of Profit and Loss	1,376.65	434.54
Balance of Profit after adjustments	1,376.65	434.54
Less : Transfer to General Reserve for setting off	6,083.73	
Balance Carried forward	1,376.65	(6,083.73)
Other Comprehensive Income (Net of Tax)	128.29	145.69
Total	**5,347.53**	**3,988.27**

Note No. 13 (Ii): Other Comprehensive Income

(Amount in Rs. Lakh)

Particulars	As on 31 March 2020	As on 31 March 2019
As per last Balance Sheet	145.69	0.34
For the Year	(128.29)	145.35
Total	**17.38**	**145.69**

Notes to Financial Statements for the Financial Year Ended 31-03-2020

Note No. 14A : Long Term Borrowings (Amount in Rs. Lakh)

Particulars	**Interest Rate**	**Maturity Date**	**As on 31 March 2020**	*As on 31 March 2019*
Term Loans				
From Bank				
(i) Central Bank of India - Expansion (Secured)	1Year MCLR + 3.15%	Jun-20	–	*505.00*
(ii) Central Bank of India - Soft Loan for Payment of FRP (Secured)	1Year MCLR + 2.70% (Minimum 11%)	Sep-19	–	*329.20*
(iii) Bank of Baroda - Soft Loan for Payment of FRP (Secured)	BR+1.10% (Minimum 11%)	Aug-19	–	*119.44*
(iv) Union Bank of India - Soft Loan for Payment of FRP (Secured)	BR+1.00% (Minimum 11%)	Sep-19	–	*98.50*
(v) Central Bank of India - Soft Loan for Payment of FRP (Secured)	1Year MCLR + 3.50%	Mar-24	3,985.00	–
(vi) Bank of Baroda - Soft Loan for Payment of FRP (Secured)	1Year MCLR+ 3.25%	Dec-23	1,253.00	–
(vii) Union Bank of India - Soft Loan for Payment of FRP (Secured)	1Year MCLR+ 4.40%	Mar-24	1,286.00	–
			6,524.00	*1,052.14*
Less: Current maturities in respect of above loans disclosed seperately under Current Liabilities			1,675.75	1,052.14
Sub-Total			**4,848.25**	–
Others			–	–
Less: Current maturities in respect of above loans disclosed separately under Current Liabilities			–	–
Sub-Total			–	–
Total Long Term Borrowings			4,848.25	–
Aggregate Secured Loans			4,848.25	–

Details of Secured Term Loans

(i) Central Bank of Ind**ia - Expansion (Secured)**
This loan was obtained for expansion of crushing capacity of the Sugar Plant at Ugar. The loan is secured by hypothecation of the said machinery for crushing. The loan is repayable in quarterly instalments of Rs. 120.53 Lakhs. The Last instalment of the loan being due in June 2020

(ii) Central Bank of India - Under SEFASU 2014 (Secured)
The loan was obtained for expansion of crushing under the ' Scheme for Extended Financial Assistance to Sugar Undertakings - 2014 ' (SEFASU - 2014) for payment of cane dues relating to FRP fixed by the Central Government. The loan is secured by 1st pari passu charge on all assets at Ugar and Jewargi. Interest on loan shall be subvented upto 12% p.a. by the Government to the Bank. The loan is repayable in 36 monthly instalments of Rs. 88.89 lakhs each. The last instalment is due on March 2019

(iii) Bank of Baroda - Under SEFASU 2014 (Secured)
The loan was obtained for expansion of crushing under the ' Scheme for Extended Financial Assistance to Sugar Undertakings - 2014 ' (SEFASU - 2014) for payment of cane dues relating to FRP fixed by the Central Government. The loan is secured by 1st pari passu charge on all assets at Ugar and Jewargi. Interest on loan shall be subvented upto 12% p.a. by the Government to the Bank. The loan is repayable in 12 quarterly instalments of Rs. 115.25 lakhs each. The last instalment is due on March 2019

(iv) Union Bank of India - Under SEFASU 2014 (Secured)
The loan was obtained for expansion of crushing under the ' Scheme for Extended Financial Assistance to Sugar Undertakings - 2014 ' (SEFASU - 2014) for payment of cane dues relating to FRP fixed by the Central Government. The loan is secured by 1st pari passu charge on all assets at Ugar and Jewargi. Interest on loan shall be subvented upto 12% p.a. by the Government to the Bank. The loan is repayable in 36 monthly instalments of Rs. 23.78 lakhs each. The last instalment is due on March 2019

(v) Central Bank of India - Soft Loan for Payment of FRP (Secured)
The loan was obtained for payment of cane price arrears for the season 2014-15 relating to the Fair & Remunerative Price (FRP). The loan is secured by extension of 1st pari passu charge on all assets at Ugar and Jewargi. Interest on loan is subvented by the Government at 10% to the Bank for a period of one year upto September 2016. The loan is repayable in 36 monthly instalments of Rs. 68.39 lakhs each. The last instalment is due in September 2019

(vi) Bank of Baroda - Soft Loan for Payment of FRP (Secured)
The loan was obtained for payment of cane price arrears for the season 2014-15 relating to the Fair & Remunerative Price (FRP). The loan is secured by extension of 1st pari passu charge on all assets at Ugar and Jewargi. Interest on loan is subvented by the Government at 10% to the Bank for a period of one year upto Septemnber 2016. The loan is repayable in 36 monthly instalments of Rs. 30.06 lakhs each. The last instalment is due in August 2019

(vii) Union Bank of India - Soft Loan for Payment of FRP (Secured)
The loan was obtained for payment of cane price arrears for the season 2014-15 relating to the Fair & Remunerative Price (FRP). The loan is secured by extension of 1st pari passu charge on all assets at Ugar and Jewargi. Interest on loan is subvented by the Government at 10% to the Bank for a period of one year upto September 2016. The loan is repayable in 36 monthly instalments of Rs. 17.47 lakhs each. The last instalment is due in September 2019

(viii) Sugar Development Fund (Secured)
The loan was obtained for Jewargi unit for setting up power project. The loan is secured by exclusive second charge on all movable and immovable assets of the company. The loan is repayable in ten six monthly Instalment of Rs. 121.59 lakhs. The last instalment is due in June 2018

(ix) Central Bank of India - Soft Loan for Payment of FRP (Secured)

The loan was obtained for payment of cane price arrears for the season 2018-19 relating to the Fair & Remunerative Price (FRP). The loan is secured by extension of 1st pari passu charge on all assets at Ugar and Jewargi. Interest on loan is subvented by the Government at 7% to the Bank for a period of one year upto March 2020. The loan is repayable in 48 monthly Instalment of Rs.83.02 lakhs each. The last instalment is due in March 2024.

(x) Bank of Baroda - Soft Loan for Payment of FRP (Secured)

The loan was obtained for payment of cane price arrears for the season 2018-19 relating to the Fair & Remunerative Price (FRP). The loan is secured by extension of 1st pari passu charge on all assets at Ugar and Jewargi. Interest on loan is subvented by the Government at 7% to the Bank for a period of one year upto June 2020. The loan is repayable in 18 quarterly Instalment of Rs. 89.50 lakhs each. The last instalment is due in December 2023.

(xi) Union Bank of India - Soft Loan for Payment of FRP (Secured)

The loan was obtained for payment of cane price arrears for the season 2018-19 relating to the Fair & Remunerative Price (FRP). The loan is secured by extension of 1st pari passu charge on all assets at Ugar and Jewargi. Interest on loan is subvented by the Government at 7% to the Bank for a period of one year upto March 2020. The loan is repayable in 48 monthly Instalment of Rs. 26.79 lakhs each. The last installment is due in March 2024.

Notes to Financial Statements for the Financial Year Ended 31-03-2020

Note No. 14B : Borrowings (Amount in Rs. Lakhs)

Particulars	As on 31 March 2020	*As on 31 March 2019*
Working Capital Loans		
From Bank		
Cash Credit Hypothecation - (Central Bank Of India) (Secured)		
— Hypothecation of Stores	342.45	*1,407.49*
— ODBD	974.78	*990.48*
Cash Credit Pledge (Secured)		
Bank Of Baroda	8,300.47	*8,351.65*
Central Bank of India	13,993.06	*14,016.06*
Union Bank of India	7,946.72	*7,492.39*
Sangli Urban Bank	1,008.49	*1,001.67*
Dombivali Nagari Sahakari Bank	3,945.76	*3,963.66*
Balances with banks in Current Accounts :	–	*3,452.42*
Fixed Deposit from Directors	108.03	*178.61*
Total	**36,619.76**	***40,854.43***

Note No. 15A : Long Term Provisions (Amount in Rs. Lakhs)

Particulars	As on 31 March 2020	*As on 31 March 2019*
Provision for Leave Salary	360.05	*335.93*
Total	**360.05**	***335.93***

Note No. 15B : Short Term Provisions (Amount in Rs. Lakhs)

Particulars	As on 31 March 2020	*As on 31 March 2019*
Provisions for Employee Benefits		
Provision for Gratuity	1,421.96	*1,046.93*
Provision for Leave Salary	42.69	*36.52*
Total	**1,464.65**	***1,083.45***

Notes to Financial Statements for the Financial Year Ended 31-03-2020

Note No. 16 - Income Taxes

The major components of income tax expense for the years ended 31 March 2020 and 31 March 2019 are:

Note No. 16A. Statement of Profit and Loss

(i) Profit and Loss Section (Amount in Rs. Lakhs)

Particulars	As on 31 March 2020	*As on 31 March 2019*
Current Income Tax :		
Current income tax charge	–	–
Adjustment in respect of current income tax of previous year	–	–
Deferred Tax :		
Relating to origination and reversal of temporary differences	13.85	*112.51*
Income Tax expense reported in the statement of profit or loss	13.85	*112.51*

(ii) OCI Section (Amount in Rs. Lakhs)

Particulars	As on 31 March 2020	*As on 31 March 2019*
Deferred Tax related to items recognised in the OCI during the year:		
Net (gain)/loss on remeasurement of defined benefit plans	68.91	*72.84*
Income Tax charged to OCI	**68.91**	***72.84***

Notes to Financial Statements for the Financial Year Ended 31-03-2020

Note No. 16B. Deferred Tax

Deferred Tax relates to the following :

(Amount in Rs. Lakhs)

Particulars	Balance Sheet		Statement of Profit and Loss	
	31-Mar-20	*31-Mar-19*	**31-Mar-20**	*31-Mar-19*
Deferred Tax Liabilities				
On account of timing differences in -				
Depreciation	1,907.38	*1,867.96*	39.43	*161.87*
Less: Deferred Tax Assets				
On account of timing differences in -				
a. Provision for doubtful debts & advances	(177.27)	*(128.01)*	(49.26)	*(17.01)*
b. Disallowances under the Income Tax Act	(654.90)	*(609.68)*	(45.23)	*40.49*
	(832.18)	*(737.69)*	(94.49)	*23.48*
Total	**1,075.20**	***1,130.27***	**-55.06**	***138.39***

Reflected in the Balancesheet as follows :

(Amount in Rs. Lakhs)

Particulars	**As on 31 March 2020**	*As on 31 March 2019*
Deferred Tax Assets (Continuing Operation)	(832.18)	*(737.69)*
Deferred Tax Liabilities :		
Continuing operations	1,907.38	*1,867.96*
Discontinued operations		
Deferred Tax Liabilities (net)	**1,075.20**	***1,130.27***

Note No. 17 (i) : Current Trade Payables

(Amount in Rs. Lakhs)

Particulars	**As on 31 March 2020**	*As on 31 March 2019*
Total Outstanding Dues of Micro & Small Enterprises	17.28	*42.98*
Total Outstanding Dues of other than Micro & Small Enterprises	17,095.10	*20,264.79*
Total	**17,112.38**	***20,307.77***

Note No. 17 (ii) : Current Other Payables

(Amount in Rs. Lakh)

Other Payables	99.95	*273.65*
Payable for capital goods	16.72	*58.30*
Total	**116.67**	***331.95***

Notes to Financial Statements for the Financial Year Ended 31-03-2020

Note No. 18 : Other Current Financial Liabilities (Amount in Rs. Lakhs)

Particulars	As on 31 March 2020	*As on 31 March 2019*
Current Maturities of Long Term Debts - Secured		
From Banks	1,675.75	*1,052.14*
From Others	–	–
Harvesters & Transporters Loan	–	–
Bank of Baroda	–	*566.85*
Canara Bank	5,583.45	*7,847.83*
Crop Loan of Union Bank of India	2,711.76	*5,094.06*
Interest accrued but not due on borrowings	–	*1.82*
Interest accrued and due on borrowings	26.84	*14.53*
Investors Education and Protections Fund	–	–
(Amounts to be credited to the said Fund when due)	–	–
Unpaid Dividend	31.30	*40.27*
Unpaid Matured Deposits & Interest Accrued	2.55	*2.55*
Trade Deposits and Advances	172.87	*169.66*
Salaries, Wages, Bonus & Commission Payable	640.30	*580.50*
Land Rent, Contractors Retention	0.96	*2.57*
Other Payables	17.13	*14.47*
Total	**10,862.91**	***15,387.25***

Note No. 19 : Other Current Liabilities (Amount in Rs. Lakhs)

Particulars	As on 31 March 2020	*As on 31 March 2019*
Provision for Excise Duty on Finished Goods	298.83	*205.19*
Outstanding Expenses	2,726.32	*2,467.13*
Advance from Customers	595.76	*288.33*
Rent Payable	31.55	*29.67*
Freight Payable	37.13	*18.26*
Amounts refundable to Cultivators & Contractors	25.67	*37.87*
Statutory Dues Payable	423.68	*531.49*
Other Payable - Kerala Opearations	–	*167.11*
Total	**4,138.94**	***3,745.05***

Notes to Financial Statements for the Financial Year Ended 31-03-2020

Note No. 21 : Revenue from Operations (Amount in Rs. Lakhs)

Particulars	For the year ended 31 March 2020	*For the year ended 31 March 2019*
Continuing Operations		
Sale of Product (gross)		
a. Finished Goods		
Sugar/ Sugar Sachet	64,995.77	57,547.13
Rectified Spirit	2,055.54	2,138.04
Denatured Spirit	3,008.37	3,105.02
Potable Alcohol (including Excise Duty)	18,118.70	19,361.25
Electricity	3,157.24	3,373.13
b. Traded Goods		
Cane Development Material	--	21.14
Petroleum Products	3,595.79	3,572.98
c. Bye Products & Others	1,687.93	1,174.00
Total	**96,619.83**	***90,292.69***
other operating revenue		
export incentive on raw sugar	4,481.35	--
	1,01,101.18	***90,292.69***

Note No. 21A : Other Income (Amount in Rs. Lakhs)

Particulars	For the year ended 31 March 2020	*For the year ended 31 March 2019*
Non Operating Revenues		
Sale of Services		
Machinery & Bullock Cart Hire Charges	0.32	*0.36*
Excess Provisions & Unclaimed Credit		
Balances Written Back	42.73	*458.79*
Others		
Insurance Claims Received	115.68	–
Sale of Scrap	4.22	*302.51*
Miscellaneous Receipts	40.67	*37.97*
Total	**203.62**	***799.63***

Note No. 21B : Other Income (Amount in Rs. Lakhs)

Particulars	For the year ended 31 March 2020	*For the year ended 31 March 2019*
Dividend on Non - Trade investments	0.73	*3.15*
Interest on Loans and Bank Deposits and Others	76.21	*121.82*
Total	**76.95**	***124.97***

Notes to Financial Statements for the Financial Year Ended 31-03-2020

Note No. 22 A : Cost of Material Consumed (Amount in Rs. Lakhs)

Particulars	For the year ended 31 March 2020	*For the year ended 31 March 2019*
A Cost of Raw Material and Components		
01. Sugarcane		
Purchased	43,293.49	*47,075.50*
Harvesting & Transport	10,319.60	*11,498.97*
Cane Purchase and Development	194.99	*92.62*
Research and Development	192.80	*230.92*
Sub-Total	**54,000.88**	***58,898.01***
02. Other Raw Material		
Molasses	5,120.17	*2,770.51*
Malt	14.61	*8.28*
Rectified Spirit	1,428.56	*1,090.68*
Others	15.47	*16.98*
Sub-Total	**6,578.81**	***3,886.45***
Less : Inter-segment transfers	(6,208.82)	*(3,651.55)*
Sub-Total	**369.99**	***234.90***
B. Stores Spares Chemicals and Others	2,873.11	*3,456.64*
Total	**57,243.99**	***62,589.55***

Note No. 22 B : Other Manufacturing Expenses (Amount in Rs. Lakhs)

Particulars	For the year ended 31 March 2020	*For the year ended 31 March 2019*
Power Fuel and Water	715.17	*858.66*
Repairs and Maintenance Plant and Machinery	1,673.86	*1,488.50*
Total	**2,389.03**	***2,347.16***

Note No. 23 : Purchase of Stock in Trade (Amount in Rs. Lakhs)

Particulars	For the year ended 31 March 2020	*For the year ended 31 March 2019*
Petroleum Products	3,521.15	*3,467.91*
Others	–	*10.37*
Total	3,521.15	*3,478.28*

Notes to Financial Statements for the Financial Year Ended 31-03-2020

Note No. 24 : Changes in Inventory

(Amount in Rs. Lakhs)

Particulars	For the year ended 31 March 2020	*For the year ended 31 March 2019*
1. Inventory at the beginning of the year		
a. Finished goods		
i. Sugar,Molasses,Spirit etc		
Sugar	60,177.70	*53,498.14*
Rectified Spirit	647.80	*415.69*
Potable Alchohol	1,093.74	*1,572.49*
Molasses	1,638.22	*1,599.88*
Others	174.35	*154.60*
	63,731.81	*57,240.80*
ii. Bagasse -own	726.86	*516.44*
Total	**64,458.67**	***57,757.24***
b. Stock in Trade at the beginning of the year		
Cane Development Goods	–	*11.10*
Petroleum Products	43.67	*35.55*
	64,502.34	*57,803.89*
Less : Excise duty on Opening inventory	927.84	*1,330.16*
Opening Inventory (net of Excise duty)	63,574.50	*56,473.73*
2. Inventory at the end of the year		
a) Finished goods		
i. Sugar,Molasses,Spirit etc		
Sugar	49,406.76	*60,177.70*
Rectified Spirit	844.48	*647.80*
Potable Alcohol	1,247.78	*1,093.74*
Molasses	5,133.62	*1,638.22*
Others	113.79	*174.35*
	56,746.43	*63,731.81*
ii. Bagasse - own	628.73	*726.86*
Total	**57,375.16**	***64,458.67***
b) Stock in Trade at the end of the year		
ii. Petroleum Products	76.12	*43.67*
	57,451.28	*64,502.34*
Less : Excise duty on Closing Inventory	987.10	*927.84*
Year Closing Inventory (net of Excise duty)	56,464.18	*63,574.50*
Net (Increase)/Decrease in Inventories	**7,110.32**	***(7,100.77)***

Notes to Financial Statements for the Financial Year Ended 31-03-2020

Note No. 25 : Employee Benefit Expenses (Amount in Rs. Lakhs)

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Salaries, Bonus and Commission	4,977.85	4,309.85
Remuneration to Employees employed by contractors	1,299.58	1,357.53
Contribution to Provident and Other Funds	439.85	413.58
Gratuity Expense	207.78	237.69
Workmen and Staff Welfare	72.63	36.04
Total	**6,997.69**	**6,354.69**

Note No. 26 : Finance Costs (Amount in Rs. Lakhs)

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Interest on debts and borrowings	4,074.57	3,677.94
Other Finance Charges	238.65	128.23
Total	**4,313.22**	**3,806.17**

Note No. 27 : Depreciation , Amortization and Impairment (Amount in Rs. Lakhs)

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Deprecation of Tangible Assets	1,365.90	1,541.01
Amortization of Intangible Assets	7.63	3.81
Depreciation of Investment Properties	0.52	0.57
Total	**1,374.05**	**1,545.39**

Note No. 28 : Other Expenses (Amount in Rs. Lakhs)

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
1. Administrative Expenses		
Repairs and Maintenance of Buildings	107.60	75.61
General Repairs and Maintenance	419.20	539.87
Loss By Flood (Kerala)	–	21.77
Insurance	87.86	68.82
Rent	41.03	41.12
Rates and Taxes	402.01	226.22
Bank Charges	3.58	9.12
Printing and Stationery	16.84	17.95
Travelling and Conveyance	81.12	95.52

Notes to Financial Statements for the Financial Year Ended 31-03-2020

Note No. 29 : Other Expenses (Amount in Rs. Lakhs)

Particulars	For the year ended 31 March 2020	*For the year ended 31 March 2019*
Motor Car/ Other Vehicle Expenses	96.26	*98.86*
Donations	2.10	*2.60*
Assets Written off	225.41	–
Directors Sitting Fees	12.30	*11.00*
Payment to Auditors	15.31	*15.48*
Bad debts and Sundry Advance Written off	2.15	*4.53*
Provision for Doubtful Debts and Advances	123.85	*24.21*
Unrealised Loss on Units	3.41	*0.61*
Miscellaneous	312.18	*293.62*
	1,952.21	***1,546.91***
2. Selling and Distribution Expenses		
Freight and Insurance, etc. on Outward Consignments	653.74	*523.69*
Commission to Selling Agents and representatives	360.62	*272.25*
Advertisements	12.47	*38.17*
	1,026.83	*834.11*
Total	**2,979.04**	***2,381.02***

Payment to Auditors (Amount in Rs. Lakhs)

Particulars	For the year ended 31 March 2020	*For the year ended 31 March 2019*
Statutory Auditors :		
As Auditors:		
Audit fees	7.20	*7.20*
Tax Audit fees	1.35	*1.35*
Limited Review fees	1.12	*1.12*
In other capacity:		
Taxation matters		
Company Law matters	0.05	*0.05*
Other services (certification fees)	0.70	*0.10*
Reimbursement expenses	1.94	*1.39*
	11.36	*11.21*
Cost Auditors :		
As Auditors:		
Audit fee	2.30	*2.60*
In other capacity:		
Reimbursement expenses	–	*0.02*
	2.30	*2.62*
Secretarial Auditors :		
As Auditors:		
Audit fee	1.50	*1.50*
In other capacity:		
Certification fees	0.15	*0.15*
Reimbursement expenses	–	–
	1.65	*1.65*
Total	**15.31**	***15.48***

NOTE C : CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT 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. SIGNIFICANT 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 17, 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
- Level 3 inputs are unobservable inputs for the asset or liability.

NOTE C : CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES:

- 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.

NOTE C : CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT 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	10 to 40
Furniture and Fixtures	10
Vehicles	8 to 10
Office Equipment	3 to 6
Investment Property – Building	3 to 60

The economic useful lives of assets is assessed based on a technical evaluation, taking into account the 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.

NOTE C : CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT 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.

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.

NOTE C : CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES:

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 determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

Contract a**s a lessee**

The Company accounts for each lease component within the contract as alease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss. The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee

NOTE C : CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES:

exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

For transition, 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.

As a lessor

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term.

(h) IMPAIRMENTOF 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.

NOTE C : CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT 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, crops in progress and Petroleum products valued at lower of cost and net realisable value. 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

With effect from 1st April 2018 Ind AS 115 pertaining to Revenue from Contracts with Customers has replaced the earlier revenue recognition standard Ind AS 18 revenue recognition. Ind AS 115 applies to contract with customer and establishes principles on reporting the nature, amount, timing and uncertainty of revenue and cash flows arising from such contracts with customer. The Company has adopted modified retrospective approach. As per the approach entities will recognise cumulative effect initially applying Ind AS 115 as an adjustment to the opening balance of equity at the date of initial application. Since the impact of the same was immaterial same has not been considered in the books of the company. 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. Revenue recognition is based on the five step revenue recognition model.

- Identifying the contract with customer.
- Identifying the performance obligations in the contract.

NOTE C : CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES:

- 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.

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.

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) INVESTMENTSIN 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.

NOTE C : CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT 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.

Transactions and Balances

Transactions in currencies other than the Company's functional currency are recognized at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the closing exchange rate prevailing as at the reporting date. Exchange rate differences arising on settlement or translation of monetary items are recognized in profit and loss statement.

Non-monetary assets and liabilities denominated in a foreign currency are translated using the exchange rate prevailing at the date of initial recognition (in case measured at historical cost) or at the rate prevailing at the date when the fair value is determined (in case measured at fair value). The gain/ loss on the change of fair value of item (i.e. translation differences on items whose fair value or loss is recognized on OCI (other comprehensive income) or profit or loss are also recognized in OCI or profit or loss, respectively).

Foreign exchange differences are recognized in profit or loss in the period in which they arise except for exchange difference on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest cost on those foreign currency borrowings.

(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 2020.

(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

NOTE C : CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES:

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 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.

NOTE C : CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES:

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 authority. Current tax assets and tax liabilities are offset where the Company has alegally 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.

NOTE C : CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES:

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.

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

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').

NOTE C : CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES:

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 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 within 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:

NOTE C : CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES:

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

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 theexpected life of the financial instrument cannot be estimated reliably, then the entity is required touse 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.

NOTE C : CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT 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:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains / losses attributable to changes in own credit risk are recognized in OCI. These gains / loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Company has not designated any financial liability as at fair value through profit and loss.

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. 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 as finance costs in the statement of profit and loss. This category generally applies to borrowings.

Financial guarantee contracts

NOTE C : CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES:

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss or allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

The Company on a contract by contract basis, elects to account for financial guarantee contracts, as a financial instrument or as an insurance contract, as specified in Ind AS 109 of Financial Instrument and Ind AS 104 on Insurance Contracts. For insurance contract, the Company performs a liability adequacy test (i.e. assesses the likelihood of any pay-out based on current discounted estimates of future cash flows),and any deficiency is recognised in statement of profit and loss.

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.

Foreign exchange gains and losses

Financial liabilities denominated in a foreign currency are measured at amortized cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortized cost of the instruments and are recognized in the Statement of Profit or Loss.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured at fair value through profit or loss, the foreign exchange component forms part of the fair value gains or losses and is recognized in the Statement of Profit and Loss.

Embedded derivatives

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in away similar to a standalone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.

If the hybrid contract contains a host that is a financial asset within the scope of Ind AS 109, the Company does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract. Derivatives embedded in all other host contracts

NOTE C : CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES:

are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value though profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss, unless designated as effective hedging instruments.

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.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement

The Company uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The purchase contracts that meet the definition of a derivative under Ind AS 109 are recognised in the statement of profit and loss. Commodity contracts that are entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the Company's expected purchase, sale or usage requirements are held at cost.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast

NOTE C : CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES:

transaction or the foreign currency risk in an unrecognised firm commitment

- Hedges of a net investment in a foreign operation

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging / economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an on going basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

i) Fair value hedges

The change in the fair value of a hedging instrument is recognised in the statement of profit and loss as finance costs. The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognised in the statement of profit and loss as finance costs. For fair value hedges relating to items carried at amortised cost, any adjustment to carrying value is amortised through profit or loss over the remaining term of the hedge using the EIR method. EIR amortisation may begin as soon as an adjustment exists and no later than when the hedged item ceases to be adjusted for changes in its fair value attributable to the risk being hedged.

If the hedged item is derecognised, the unamortised fair value is recognised immediately in profit or loss. When an unrecognised firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognised as an asset or liability with a corresponding gain or loss recognised in profit and loss.

ii) Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss. The forward currency contracts are used as hedges of its exposure to foreign currency risk in forecast transactions and firm commitments, as well as forward commodity contracts for its exposure to volatility in the commodity prices. The ineffective portion relating to foreign currency contracts is recognised in finance costs and the ineffective portion relating to commodity contracts is recognised in other income or expenses. Amounts recognised as OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs. When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised as OCI are transferred to the initial carrying amount of the non-financial asset or liability. If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously

NOTE C : CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES:

recognised in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met.

iii) Foreign exchange forward contract

While the Company entered into other foreign exchange forwards contract with the intention of reducing the foreign exchange risk of expected sales and purchases, these other contract.

(t) NON-CURRENT ASSETS HELD FOR SALE

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell. Non-current assets are not depreciated or amortised while they are classified as held for sale.

(u) DERIVATIVE FINANCIAL INSTRUMENTS

Derivative financial instruments such as forward contracts, option contracts and cross currency swaps, to hedge its foreign currency risk sare initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair valuewith changes in fair value recognised in the Statement of Profit and Loss in the period when they arise.

(v) 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.

(W) 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 share holders 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, share splits 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.

(x) 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 Petroleum products 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

NOTE C : CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES:

performance is evaluated based on profit or loss and is measured consistently with the profit and loss of standalone 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, have been included under "Unallocated".

(y) 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.

z) 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.

(aa) CONSOLIDATION OF ACCOUNTS

Ugar Theatre Pvt. Ltd. is a Subsidiary company. hence consolidation of accounts as per the provisions of Ind AS 110 and other relevant provisions of the Companies Act, is considered.

NOTE C : CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES:

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 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 Statements for the Financial Year Ended 31-03-2020

(Amount in Rs. Lakh)

Particulars			Financial Year 31-03-2020	*Financial Year 31-03-2019*
Note D: Other Information				
1	Contingent Liabilities not provided for			
	a.	Claims against the Company not acknowledged as debts	–	*–*
	b.	Excise Duty / Service Tax, Liability Disputed	395.26	*356.81*
	c.	Income Tax, Liability Disputed	199.59	*199.59*
	d.	Sales Tax, Liability Disputed	20.14	*20.14*
	e.	"Corporate Guarantees given to the Bankers for loans given to the Harvesting & Transport Contractors"	12,125.00	*10,000.00*
		In relation to matters mentioned in point no b, c & d 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.		
2	Commitments			
	a.	Estimated amounts of contracts remaining to be executed on capital account	41.83	*45.54*
3	Value of imports calculated on CIF basis			
	Machinery Spares		–	*1.69*
4	Expenditure in foreign currency			
	a.	Travelling	5.00	*1.31*
	b.	Subscription	–	*0.71*
5	Earning per share			
	a.	Profit after tax as per the Profit & Loss Account	1,376.65	*434.54*
	b.	Weighted average of No. of Shares	1,125.00	*1,125.00*
	c.	Earnings per share of Re.1/-	1.22	*0.39*
6	Future Minimum Lease Rentals in respect of Buildings			
	a.	Given on lease		
		i. Receivable within one year	8.92	*8.04*
		ii. Receivable between one year and five years	16.68	*11.01*
		iii. Receivable after five years	24.36	*3.66*
	b.	Taken on lease		
		i. Payable within one year	23.16	*21.03*
		ii. Payable between one year and five years	23.64	*7.34*
		iii. Payable after five years	–	*–*

Notes to Financial Statements for the Financial Year Ended 31-03-2020

(Amount in Rs. Lakh)

Particulars	Financial Year 31-03-2020	*Financial Year 31-03-2019*
Note D: Other Information (Contd...)		
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	54,370.87	*59,132.91*
b. Percentage		
Imported	–	*–*
Indigenous	100%	*100%*
8 Value of Raw Material Consumed in Note 22A includes additional cane price relating to earlier season/s	–	*–*
9 Segment Reporting		
I. Primary Segment Information (Business Segments)		
Revenue		
External Sales		
Sugar	71,354.76	*58,719.95*
Electricity	3,157.74	*3,373.13*
Petrol Pump	3,595.79	*3,572.98*
Industrial Alcohol	5,079.07	*5,265.38*
Potable Alcohol	17,913.82	*19,361.25*
Total	**1,01,101.18**	***90,292.69***
Other Operating Income		
Sugar	–	*–*
Inter-segment Sales		
Sugar	12,678.80	*9,955.96*
Electricity	8,370.34	*7,824.86*
Industrial Alcohol	1,950.36	*1,720.13*
Total	**22,999.50**	***19,500.94***
Total Revenue		
Sugar	84,033.56	*68,675.91*
Electricity	11,528.08	*11,197.99*
Petrol Pump	3,595.79	*3,572.98*
Industrial Alcohol	7,029.43	*6,985.51*
Potable Alcohol	17,913.82	*19,361.25*
Total	**1,24,100.68**	***1,09,793.64***

Notes to Financial Statements for the Financial Year Ended 31-03-2020

(Amount in Rs. Lakh)

Particulars	Financial Year 31-03-2020	*Financial Year 31-03-2019*
Note D: Other Information (Contd...)		
Segment Reporting		
II Primary Segment Information(Business Segments)		
Segment Results (Gross)		
Sugar	7425.83	*2,932.37*
Electricity	1386.64	*2,004.23*
Petrol Pump	81.64	*81.11*
Industrial Alcohol	430.04	*1,863.29*
Potable Alcohol	206.52	*206.08*
Total	**9,530.67**	***7,087.08***
Less: Unallocated Corporate Expenses	4,107.59	*3,658.13*
Operating Profit	5,423.08	*3,428.95*
Less:		
Finance Costs	4,313.22	*3,806.17*
Other Income	(280.64)	*(924.60)*
Profit from Ordinary Activities	1,390.50	*547.38*
Exceptional Items	–	–
Profit before tax	1,390.50	*547.38*
9 Segment Reporting		
II Primary Segment Information (Business Segments)		
Sugar	69,981.84	*74,618.41*
Electricity	5,304.53	*6,232.99*
Petrol Pump	80.33	*46.66*
Industrial Alcohol	1,943.90	*1,613.51*
Potable Alcohol	2,263.18	*2,238.28*
Subtotal	79,573.78	*84,749.85*
Add: Unallocated Corporate Assets	3,386.66	*3,395.53*
Total	**82,960.44**	***88,289.38***
Segment Liabilities		
Sugar	28,659.69	*37,000.41*
Electricity	173.04	*274.59*
Petrol Pump	2.08	*0.81*
Industrial Alcohol	160.43	*154.37*
Potable Alcohol	472.60	*462.76*
Subtotal	29,467.84	*37,892.94*
Add: Unallocated Corporate Liabilities	47,130.97	*45,283.17*
Total	**76,598.81**	***83,176.11***

Notes to Financial Statements for the Financial Year Ended 31-03-2020

(Amount in Rs. Lakh)

Particulars	Financial Year 31-03-2020	*Financial Year 31-03-2019*
Note D: Other Information (Contd...)		
Capital Expenditure		
Sugar	65.21	*139.20*
Electricity	10.41	*60.03*
Industrial Alcohol	6.77	*25.70*
Potable Alcohol	0.25	*0.78*
Unallocated	10.10	*17.56*
	92.74	*243.27*
Segment Reporting		
III Primary Segment Information (Business Segments)		
Depreciation and Amortisation		
Sugar	843.01	*946.80*
Electricity	308.93	*340.66*
Petrol Pump	–	*0.01*
Industrial Alcohol	82.66	*92.67*
Potable Alcohol	6.88	*9.03*
Unallocated	132.57	*156.22*
Total	**1,374.05**	***1,545.39***
Non-cash expenses other than depreciation		
Sugar	–	–
Electricity	–	–
Petrol Pump	–	–
Industrial Alcohol	–	–
Potable Alcohol		
Total	–	–

IV The Company does not have any Secondary Reportable Segments.

V 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

e. Revenues for the year ended March 31, 2020 includes revenues aggregating to approximately Rs. 31,199.25 Lakhs (March 31, 2019 – Rs. 29,329.12 Lakhs) 5 largest customers of the Company"

Notes to Financial Statements for the Financial Year Ended 31-03-2020

(Amount in Rs. Lakh)

Particulars	Financial Year 31-03-2020	*Financial Year 31-03-2019*
Note D: Other Information (Contd...)		
10 Disclosure with respect to IND AS-19		
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:		
a. Gratuity		
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.		
Defined Contribution Plan:		
Contribution to Defined Contribution Plan, recognised and charged off for the year are as under:		
Employer's contribution to Superannuation Fund	35.48	*28.23*
Employer's contribution to Pension Scheme	169.92	*178.58*
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	2,748.39	*2,815.16*
Interest Cost	202.78	*209.28*
Current Service Cost	131.27	*150.51*
Past Service Cost (non vested cost)	–	–
Past Service Cost (vested cost)	–	–
Benefits Paid	(160.37)	*(208.44)*
Actuarial (gain) / loss on obligation	192.25	*(218.12)*
PVO at the end of the period	3,114.32	*2,748.39*

Notes to Financial Statements for the Financial Year Ended 31-03-2020

(Amount in Rs. Lakh)

Particulars		Financial Year 31-03-2020	*Financial Year 31-03-2019*
Note D: Other Information (Contd...)			
II	Interest Expenses	–	*–*
	Interest Cost	202.78	*209.28*
III	Fair Value of Plan Assets		
	Fair value of Plan Assets at the beginning	1,701.46	*1,646.75*
	Interest Income	124.43	*123.94*
IV	Net Labiality at beginning of period		
	PVO at beginning of period	2748.39	*2,815.16*
	Fair Value of the Assets at beginning report	1701.46	*1,646.75*
	Net Liability at the beginning of period	1046.93	*1,168.41*
V	Net Interest		
	Interest Expenses	202.78	*209.28*
	Interest Income	(124.42)	*(123.94)*
	Net Interest	78.36	*85.34*
VI	Actual Return on Plan Assets	119.46	*124.01*
	Interest income included above	124.43	*123.94*
	Return on plan assets excluding interest income	4.97	*0.07*
VII	Actuarial (Gain)/Loss on obligation		
	Due to Demographic Assumption	–	*0.81*
	Due to Financial Assumption	142.74	*22.77*
	Due to Experience	49.51	*(241.70)*
	Total Actuarial (Gain)/Loss	192.25	*(218.12)*
		-	*–*
VIII	Fair Value of Plan Assets		*–*
-			
	Opening Fair Value of Plan Asset	1,701.46	*1,646.75*
	Adjustment to the opening fund	–	*13.20*
	Return on Plan Assets excl. interest income	(4.97)	*0.07*
	Interest Income	124.43	*123.94*
	Contributions by Employer	25.00	*59.84*
	Contributions by Employee	–	*–*
	Benefits Paid	(153.56)	*(142.34)*
	Fair Value of Plan Assets at end	1,692.36	*1,701.46*
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	–	–
	Unrecogised Past Service Cost-non vested benefits	–	–

Notes to Financial Statements for the Financial Year Ended 31-03-2020

(Amount in Rs. Lakh)

Note D: Other Information (Contd...)

Particulars		Financial Year 31-03-2020	Financial Year 31-03-2019
X	Amount to be recognised in the Balance Sheet and Profit	–	–
	and Loss Account	–	–
	PVO at end of period	3,114.32	2,748.39
	Fair Value of Plan Assets at end of period	1,692.36	1,701.46
	Net Asset/(Liability) recognised in the Balance Sheet	(1,421.96)	(1,046.93)
XI	Expense recognised in the statement of P & L A/c.		
	Current Service Cost	131.27	150.51
	Net Interest	78.36	85.34
	Past Service Cost-(non vested benefits)	–	–
	Past Service Cost-(vested benefits)	–	–
	Curtailment Effect	–	–
	Settelement Effect	–	–
	Unrecognised Past Service Cost -non vested benefits	–	–
	Expense recognised in the statement of P & L A/c.	209.63	235.85
XII	Other Comprehensive Income (OCI)	–	–
	Actuarial (Gain)/Loss recognised for the period	192.25	-218.12
	Asset limit effect	–	–
	Return on Plan Assets excluding net interest	4.96	-0.06
	Unrecognised Actuarial (Gain)/Loss from prvious period	–	–
	Total Actuarial (Gain)/Loss recognised in (OCI)	197.21	(218.18)
XIII	Movements in the Liability recognised in Balance Sheet.		
	Opening Net Liability	(1,046.93)	(1,168.41)
	Adjustment to opening balance	–	13.21
	Expenses as above	(209.63)	(235.85)
	Benefits Paid by Company	6.81	66.10
	Contribution paid	25.00	59.84
	Other Comprehensive Income(OCI)	(197.21)	218.18
	Closing Net Liability	(1,421.96)	(1,046.93)
XIV	Schedule III of The Companies Act 2013		
	Current Liability	(1,421.96)	(1,046.93)
		–	–
XV	Projected Service Cost 31 March 2021	138.31	171.05
	Unrecognised Actuarial (Gain)/Loss from previous period	–	–
	Average remaining future service till vesting of the benefit	–	–

Notes to Financial Statements for the Financial Year Ended 31-03-2020

(Amount in Rs. Lakh)

Particulars	Financial Year 31-03-2020	*Financial Year 31-03-2019*
Note D: Other Information (Contd...)		
XVI Asset Information		
Cash and Cash Equivalents	–	–
Gratuity Fund(LIC of India)	1,692.36	*1,701.46*
Debt Security(Gvt.Bond)	–	–
Equity Securities -Corporate debt securities	–	–
Other Insurance contracts	–	–
Property	–	–
Total itemized Assets	1,692.36	*1,701.46*
XVII Assumptions as at:		
Mortality		
Interest / Discount Rate	6.90%	*7.60%*
Rate of increase in compensation	6.00%	*6.00%*
Rate of return (expected) on plan assets	7.60%	*7.72%*
Expected average remaining service (In Years)	10.85	*11.25*

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.

Particulars	Financial Year 31-03-2020	*Financial Year 31-03-2019*
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	27.29	–
Acquisition Adjustment	–	
Interest Cost	2.07	–
Past Service Cost		–
Current Service Cost	16.22	*1.65*
Curtailment Cost/(Credit)		
Settlement Cost/(Credit)		
Benefits Paid		
Actuarial (Gain)/Loss on obligations.	125.67	*25.64*
Present value of expected interest rate shortfall as at the end of the period.	171.25	*27.29*
II Changes in Fair Value of plan assets.		
Fair value of plan assets at the beginning of the period.	143.81	*102.52*
Acquisition Adjustment.	–	–
Interest Income	10.93	*7.91*
Contributions	–	
Amount transferred to cover shortfall	–	
Amount paid on settlement	–	

Notes to Financial Statements for the Financial Year Ended 31-03-2020

(Amount in Rs. Lakh)

Particulars	Financial Year 31-03-2020	*Financial Year 31-03-2019*
Note D: Other Information (Contd...)		
b. Actuarial Gain/(Loss) on plan assets	66.34	*33.38*
Fair value of plan assets at the end of the period.	221.08	*143.81*
III Actuarial Gain/Loss recognised.		
Actuarial (Gain)/Loss for the period-obligation	125.67	*25.64*
Actuarial (Gain)/Loss for the period-plan assets	(66.33)	*(33.38)*
Total (Gain)/Loss for the period	(59.34)	*(7.74)*
Actuarial (Gain)/Loss recognised in the period.	(59.34)	*(7.74)*
Unrecognised actuarial Gain/Loss at the of preiod.		–
IV The amount to be recognised in the Balance Sheet.		
Present value of expected interest rate shortfall as at the end of the period.	171.26	*27.29*
Fair value of the plan assets at the end of the period. (Surplus Account)	221.08	*143.81*
Surplus/(Deficit)	49.82	*116.52*
Unrecognised actuarial (Gain)/Loss		
-		
Net asset/(liability) recognised in the Balance Sheet.	49.82	*116.52*
V Amount recognised in Statement of Other Comprehensive Income		
Opening amount recognised in OCI outside profit & loss account	(36.81)	*(29.07)*
Remeasurement for the period -Obligation (Gain)/Loss	125.68	*25.64*
Remeasurement for the period -Plan Assets(Gain)/Loss	(66.34)	*(33.38)*
Total remeasurement cost/(credit) for the period recognised in OCI	59.34	*(7.73)*
Closing amount recognised in OCI outside profit & loss account	22.53	*(36.81)*
VI Expenses recognised in the statement of profit & loss		
Current Service Cost	16.22	*1.65*
Acquisition (Gain)/Loss	–	
Past service cost		–
Net Interest (Income) /Expense	(8.86)	*(7.91)*
Curtailment (Gain)/Loss		–
Settlement (Gain)/Loss		–
Net periodic benefit cost recognised in the statement of profit & loss at the end of the period.	7.36	*(6.26)*
VII Total Expenses recognised in the Statement Of Profit & Loss		
Expenses recognised in the statement of Profit & Loss with with respect to expected interest rate shortfall	7.36	*(6.26)*
Expense relating to the contributions made by the employer	230.07	*197.87*
Total expense at the end of period.	237.43	191.60

Notes to Financial Statements for the Financial Year Ended 31-03-2020

(Amount in Rs. Lakh)

Particulars	Financial Year 31-03-2020	*Financial Year 31-03-2019*
Note D: Other Information (Contd...)		
VIII Assumptions as at:		
Mortality		
Interest/Discount Rate	6.90%	*7.60%*
Interest rate declared by EPFO for the period.	8.50%	*8.65%*
Yield Spread	1.50%	*1.00%*
Expected average remaining working lives of employees (in years)	16.50	*15.98*

Notes to Financial Statements for the Financial Year Ended 31-03-2020

Note D: Other Information (Contd...)

Disclosure of Related Parties & Related Party Transactions :

I	**Related party over which control exists**		**Nature of relationship**
i	Ugar Theatres Pvt. Ltd.,	………	Subsidiary (100%)

II Names of the related parties with whom transactions were carried out during the year and description of relationship

1	**Key Management Personnel (KMP)**		**Designation**
I	Shri. Niraj Shishir Shirgaokar	………	Managing Director (MD)
II	Shri. Chandan Sanjeev Shirgaokar	………	Managing Director (MD)
iii	Shri. R. V. Desurkar	………	General Manager Finance
iv	Shri. B. G. Kulkarni	………	General Manager Corp. Affair & CS

2 Relatives of Key Management Personnel

	Name of the transacting related party		**Nature of relationship**
I	Shri. Shishir Suresh Shirgaokar	………	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	Shri. Sohan Sanjeev Shirgaokar	………	Director & Brother of MD-Shri.Chandan S. Shirgaokar
x	Sou. Gouri Sohan Shirgaokar	………	Wife of Director-Shri. Sohan S. Shirgaokar.
xi	Sanjeev Suresh Shirgaokar-HUF	………	Smt. Radhika S. Shirgaokar is the Mother of MD Shri. Chandan S. Shirgaokar
xii	Gyanshree Enterpreises	………	Smt. Radhika S. Shirgaokar is the Properietor and Mother of MD Shri. Chandan S. Shirgaokar
xiii	Sou. Bharati Rajan Desurkar	………	Wife of Shri.R.V. Desurkar-General Manager Finance
xiv	Mr. Abhijit Rajan Desurkar	………	Son of Shri. R.V.Desurkar-General Manager Finance
xv	Sou. Renu Kulkarni	………	Wife of Shri. B.G. Kulkarni, General Manager Corp. Affairs and CS.

Notes to Financial Statements for the Financial Year Ended 31-03-2020

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 Chairman, Shri. P.V.Shirgaokar-Chairman, Shri. Shishir Shirgaokar-Director, Shri.Niraj Shirgaokar-MD, Shri.Chandan Shirgaokar-MD, Shri.Sachin Shirgaokar and Shri. Sohan Shirgaokar are the Directors.
ii	Sangli Fabricators Pvt Ltd	....	MD- Shri. Chandan S. Shirgaokar, Director Shri. Shishir Shirgaokar & Sachin Shirgaokar are Directors
iii	Tara Tiles Pvt Ltd.	....	Chairman Shri. P.V.Shirgaokar, Director Shri. Shishir Shirgaokar & Sachin Shirgaokar are Directors
iv	Ugar Pipe Industries Pvt. Ltd.	....	MD- Shri. Chandan S. Shirgaokar, Chairman Shri. P.V.Shirgaokar and Director Shri. Shishir Shirgaokar are Directors
v	D.M. Shirgaokar Enterprises (LLP) Pvt. Ltd.	....	MD-Shri.Chandan S. Shirgaokar, Director Shri. Shishir S. Shirgaokar, Shri.Sohan Shirgaokar, Radhika Shirgaokar Mother of MD- Shri.Chandan S. Shirgaokar are the Directors.
vi	Shishir Shirgaokar Enterprises (LLP) Pvt. Ltd.	....	Father Shri. Shishir S. Shirgaokar, Mother Mrs. Savita Shishir Shirgaoakar and wife of MD-Niraj S. Shirgaokar Mrs. Asawari N. Shirgaoakar are Directors.
vii	Suresh Shirgaokar Enterprises (LLP) Pvt. Ltd.	....	MD-Shri.Niraj S. Shirgaokar, Directors Shri. Shishir S. Shirgaokar, and Shri.Sohan S. Shirgaokar, Mother of Sohan Shirgaokar Smt.Radhika S. Shirgaokar and Mrs. Geetali C. Shirgaokar wife of MD-Shri. Chandan S. Shirgaokar and Gauri Sohan Shirgaokar wife of Shri. Sohan S. Shirgaokar are the Directors.
viii	Sanjeev Shirgaokar Enterprises (LLP) Pvt. Ltd.	....	MD-Shri.Chandan S. Shirgaokar, Director Shri. Sohan S. Shirgaokar and Mother of both Smt. Radhika S. Shirgaokar are Directors.
ix	Synergy Green Industries Ltd.	....	MD-Shri. Niraj S. Shirgaoakar, MD- Shri.Chandan S. Shirgaokar, Chairman Shri. P.V.Shrigaokar, Director Shri. Shishir S. Shirgaokar, Shri.Sachin R. Shirgaokar and Shri.Sohan S. Shirgaokar, are Brother of Chairman Shri. R.V. Shirgaokar and Dr. M.R.Desai are Directors

Notes to Financial Statements for the Financial Year Ended 31-03-2020

NOTE D: Other Information (contd...)

11. Disclosure of Related Parties and Related Party Transactions

(Amount in Rs. Lakh)

Sr. No.	Nature of Transaction	Subsidiary Companies		Key Management Personnel		Relatives of KMP		Related Parties referred to in 3 above		Total	
		2019-20	*2018-19*	**2019-20**	*2018-19*	**2019-20**	*2018-19*	**2019-20**	*2018-19*	**2019-20**	*2018-19*
1	Remuneration Paid Commission	—	—	452.28	*265.66*	—	—	—	—	452.28	*265.66*
2	Sitting Fees	—	—	—	—	2.20	*1.70*	—	—	2.20	*1.70*
3	Purchase of Sugar cane	—	—	—	—	—	—	—	—	—	—
4	Purchase of Plant & Machinery & Spares	—	—	—	—	—	—	496.26	*233.38*	496.26	*233.38*
5	Sales- Others/ Consultancy	—	—	—	—	—	—	3.65	*3.87*	3.65	*3.87*
6	Exempt Deposits from Directors	—	—	—	—	28.02	*28.02*	—	—	28.02	*28.02*
7	Deposits Refunded/Paid	—	—	—	—	28.02	*28.02*	—	—	28.02	*28.02*
8	Interest Paid	—	—	—	—	2.67	*2.67*	—	—	2.67	*2.67*
9	Dividend Received	—	—	—	—	—	—	—	—	—	—
10	Dividend Paid	—	—	—	—	—	—	—	—	—	—
11	Redemption of pref. Shares	—	—	—	—	—	—	—	—	—	—
12	Consultancy / Repairs / Other	—	—	—	—	—	—	—	—	—	—
13	Warehousing Charges / Rent Paid	2.50	*2.50*	—	—	44.16	*44.16*	—	—	46.66	*46.66*
14	Advance in the nature of Reimbursement.	—	—	3.86	*3.76*	—	—	—	—	3.86	*3.76*
15	Advance Returned / Repaid	—	—	—	*12.84*	—	—	—	—	—	*12.84*
16	Advance Returned / Repaid	—	—	11.86	*16.35*	—	—	—	—	11.86	*16.35*
17	Outstanding Balances as on 31.03.2020										
	Payable Cr	1.19	*2.28*	—	*0.25*	0.25	*0.25*	—	*1.40*	1.44	*4.18*
	Receivable Dr	—	—	0.24	—	0.86	*0.86*	45.13	*0.00*	46.23	*0.86*
	Total	**3.68**	***4.78***	**480.58**	***298.86***	**106.19**	***105.68***	**545.04**	***238.66***	**1,135.50**	***647.98***

Notes to Financial Statements for the Financial Year Ended 31-03-2020

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 31-03-2020 :

S.No.	Description	31-03-2020 Rs. Lakh	*31-03-2019 Rs. Lakh*
i	Principal amount remaining unpaid to such suppliers as at the year end.	17.28	*42.98*
ii.	Interest due thereon remaining unpaid to the suppliers as at the year end.	–	–
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.	0.02	–
v.	Amount of interest accrued during the year and remaining unpaid at the year end.	0.02	–
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 Disclosure required as per clause 32 of the Listing Agreement:

Sl.No	Name of the Company	Loans & Advances: Amount Outstanding as at 31/03/2020 Rs.Lakh	Loans & Advances: Maximum Balance Outstanding during the year Rs.Lakh	Investments (in Equity Shares) Amount Outstanding as at 31/03/2020 Rs.Lakh	Investments (in Preference Shares) Amount Outstanding as at 31/03/2020 Rs.Lakh
	Subsidiary				
i.	Ugar Theatres Pvt. Ltd.	1.19	1.19	100%	–

Note:

i. There are no loans and advances in the nature of loans to firms / companies in which Directors of the Company are interested.

Notes to Financial Statements for the Financial Year Ended 31-03-2020

NOTE D: Other Information (contd...)

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, the Company may issue new shares or sell assets to reduce debt. The capital structure of the 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. The 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.

14.1 Categories of financial instruments: (Amount in Rs. Lakh)

Particulars	Carrying Amount		Fair Value	
	March 31, 2020	*March 31, 2019*	March 31, 2020	*March 31, 2019*
FINANCIAL ASSETS				
Fair value through Profit and Loss Account (FVTPL) Investments	418.35	*421.03*	418.35	*421.03*
Amortised Cost				
Non-Current Assets				
Security Deposit	63.97	*91.95*	63.97	*91.95*
Loans and advances	3.50	–	3.50	–
Current Assets				
Trade receivable	1153.54	*2,831.35*	1153.54	*2,831.35*
Cash in hand	16.41	*18.24*	16.41	*18.24*
Balance with banks in current account	974.19	*182.53*	974.19	*182.53*
Balance with banks in deposit account – original maturity upto 12 months	110.27	*104.32*	110.27	*104.32*
Accrued Interest On Bank Deposits	6.83	*3.90*	6.83	*3.90*
FINANCIAL LIABILITIES				
Amortised cost				
Non-Current Liabilities				
Borrowing	4,848.25	*0.00*	4,848.25	*0.00*
Current liabilities				
Short-term Borrowing	36,619.76	*40,854.43*	36,619.76	*40,854.43*
Trade Payable	17,229.05	*20,639.72*	17,229.05	*20,639.72*
Other Financial Liabilities	10,862.91	*15,387.26*	10,862.91	*15,387.26*

Notes to Financial Statements for the Financial Year Ended 31-03-2020

NOTE D: Other Information (contd...)

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.

14.2 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.

14.3 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. The Company assesses the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of the 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 the Company have fixed interest rate and therefore the risk of interest rate change is not material to the Company.

Credit Risk:

Credit risk is the risk of financial loss arising from counter party 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. The Company maintains its cash and cash equivalents and deposits with banks having good reputation and high quality credit ratings.

Notes to Financial Statements for the Financial Year Ended 31-03-2020

NOTE D: Other Information (contd...)

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 the 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. The 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 the 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:

(Amount in Rs. Lakh)

Particulars	March 31, 2020					
	Less than 3 months	3 to 6 months	6 month to 1 year	Between 1 and 2 year	More than 2 years	Total Mar 2020
Financial Assets						
Non – derivative						
Non-Current Assets						
Investments						
Security Deposit			–	0.40	63.57	63.97
Loans and advances				3.50		3.50
Current Assets						
Trade receivable	1,153.54					1,153.54
Cash in hand	16.41					16.41
Balance with banks in current account	974.19					974.19
Balance with banks in deposit account – original maturity upto 12 months	–	–	–	110.27		110.27
Accrued Interest On Bank Deposits	6.83	–	–	–	–	6.83
Financial Liabilities						
Non-Current Liabilities						
Borrowing				1,675.75	3,172.50	4,848.25
Current liabilities						
Short-term Borrowing	36,619.76					36,619.76
Trade Payable	17,229.05					17,229.05
Other Financial Liabilities	10,862.91					10,862.91

Notes to Financial Statements for the Financial Year Ended 31-03-2020

NOTE D: Other Information (contd...)

(Amount in Rs. Lakh)

Particulars	March 31, 2019					
	Less than 3 months	3 to 6 months	6 month to 1 year	Between 1 and 2 year	More than 2 years	Total Mar 19
Financial Assets						
Non – derivative						
Non-Current Assets						
Investments					49.05	49.05
Security Deposit			–	0.40	91.54	91.94
Deposit with Banks						–
Current Assets						
Trade receivable	2,831.35					2,831.35
Cash in hand	18.24					18.24
Balance with banks in current account	182.53					182.53
Balance with banks in deposit account – original maturity upto 12 months	–	–	–	104.32		104.32
Accrued Interest On Bank Deposits	3.90	–	–	–	–	3.90
Financial Liabilities						
Non-Current Liabilities						
Borrowing						
Current liabilities						
Short-term Borrowing	40,854.43					40,854.43
Trade Payable	20,639.72					20,639.72
Other Financial Liabilities	15,387.26					15,387.26

15. Taxes on income

The major components of Income Tax Expense for the year ended March 2020 and March 2019 are:

(i) Statement of Profit or Loss

(Amount in Rs. Lakh.)

Particulars	March 31, 2020	*March 31, 2019*
Current Tax	–	–
Short/(Excess) provision of tax for earlier years	–	*0.33*
Deferred Tax	13.85	*112.51*
Total Income Tax Expense	13.85	*112.84*

(ii) Other Comprehensive Income

(Amount in Rs. Lakh.)

Particulars	March 31, 2020	*March 31, 2019*
Deferred Tax relating to Net Gain/(Loss) on re-measurement of defined benefit plans	68.91	*72.84*

Notes to Financial Statements for the Financial Year Ended 31-03-2020

NOTE D: Other Information (contd...)

(iii) Movement of deferred tax

(Amount in Rs. Lakh)

Particulars	31-03-2020			
	Opening Balance	**Recognised in profit and (Loss)**	**Recognised in OCI**	**Closing Balance**
Tax effect of items constituting deferred tax liabilities Property, Plant and Equipment	(1867.96)	(39.42)		(1907.38)
Subtotal of Deferred Tax Liabilities	(1867.96)	(39.42)	–	(1907.38)
Tax effect of items constituting deferred tax assets				
Provisions	128.01	49.26	–	177.27
Other Items	609.68	(23.68)	68.91	654.91
Subtotal of Deferred Tax Asset	737.69	25.58	68.91	832.18
Net Deferred Tax Asset/ (Liabilities)	(1130.27)	(13.85)	68.91	(1075.20)

(Amount in Rs. Lakh)

Particulars	31-03-2019			
	Opening Balance	**Recognised in profit and (Loss)**	**Recognised in OCI**	**Closing Balance**
Tax effect of items constituting deferred tax liabilities Property, Plant and Equipment	(1706.09)	(161.87)	–	(1867.96)
Subtotal of Deferred Tax Liabilities	(1706.09)	(161.87)	–	(1867.96)
Tax effect of items constituting deferred tax assets				
Provisions	111.01	(17.00)	–	128.01
Other Items	650.16	(32.36)	72.84	609.68
Subtotal of Deferred Tax Asset	761.17	(49.36)	72.84	737.69
Net Deferred Tax Asset/ (Liabilities)	(944.92)	(112.51)	(72.84)	(1130.27)

The company formed CSR committee as constituted pursuant to Companies Act 2013. During the year under review, the Company has not spent, since last 3 years average Profit/(Loss) is negative.

Notes to Financial Statements for the Financial Year Ended 31-03-2020

NOTE D: Other Information (contd...)

16. Note related to the impact of COVID-19 in business :

Estimation uncertainties relating to the COVID-19 pandemic The Company has considered the possible effects on the business that may result from COVID-19, a global pandemic -

Impact on production & Sales – No major impact on production of Sugar as crushing season was over before the commencement of lockdown. Company started manufacturing activity of Sanitizer during lockdown as approved by government.

Impact on the carrying amount of receivables & advances - The Company, based on current estimates expects the carrying amount of the above assets will be recovered, net of provisions established.

17. Figures of the previous year have been regrouped / rearranged / recast where necessary.

18. Figures in the brackets pertain to previous year.

Signatures to Notes A to D

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 : Pune
Date : 26-06-2020

Niraj S. Shirgaokar
MD (DIN-00254525)

Chandan S. Shirgaokar
MD (DIN-00208200)

R. V. Desurkar
GM Finance
(ACA-23771)

B. G. Kulkarni
GM-Corp. Aff. & Co. Sec.
(FCS-2805)

Regd office sangli
26-06-2020

INDEPENDENT AUDITORS' REPORT

To
The Members of
The Ugar Sugar Works Limited
Report on the Audit of the consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of The Ugar Sugar Works Limited (hereinafter referred to as the "Holding Company"), and its subsidiary Ugar Theater Private limited (Holding Company and its subsidiary together referred to as "the Group") which comprise the Consolidated Balance Sheet as at March 31, 2020, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 Consolidated state of affairs of the Company as at March 31, 2020, the Consolidated profit and total comprehensive income, Consolidated changes in equity and its Consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the consolidated financial statements section of our report. We are independent of the Group 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 consolidated 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 consolidated 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 consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Independent Auditors' Report on the Audit of the Consolidated Financial Statements as at March 31, 2020

Sr. No.	Key Audit Matter	Auditor's Response
1.	**Accounting for Government Subsidy** We identified Accounting for Government Subsidy as a key audit matter for the Company because recognition of subsidy revenue and assessment of recoverability of related subsidy receivable is subject to significant judgement of the Management. The area of subjectivity and judgement include interpretation and satisfaction of conditions specified in notification, amount to be recognised, recoverability of subsidy. During the year the Group has recognized the export subsidy of Rs. 4,481.34 Lakhs and Buffer stock subsidy of Rs.522.26 Lakhs which are significant to the Consolidated Financial Statements.	Our audit approach consisted of Understanding and evaluating the design and testing of operating effectiveness of controls as established by the Management in recognition of subsidy. • We evaluated the Management's assessment regarding reasonable certainty of complying with the relevant conditions specified in the notification issued by the Government of India. • We understood the basis of judgement that the Management has made in relation to the notification and subsequent evidence, as applicable. • We considered the notifications issued by Government of India's Ministry of Consumer Affairs, Food & Public Distribution to ascertain the appropriateness of the recognition of subsidy revenue and subsequent adjustments on account of uncertainty of recoverability. • We tested the ageing of related receivables and assessed the information used by the Management to determine its recoverability. Based on above procedures performed, we concluded that the Government subsidy is appropriately accounted for.

Independent Auditors' Report on the Audit of the Consolidated Financial Statements as at March 31, 2020

Sr. No.	Key Audit Matter	Auditor's Response
2.	**Contingent Liability** The Holding Company is involved in direct and indirect tax litigations of Rs. 614.99 Lakhs. The Holding Company has also provided Corporate guarantee of Rs. 12,125 Lakhs to the Bankers for Harvesting and Transportation Loan. 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 Holding 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. (Refer Note D (1) to Consolidated Financial Statements)	Our procedures included, but were not limited to, the following: • Obtained an understanding from the management with respect to process and controls followed by the Holding Company for identification and monitoring of significant developments in relation to the litigations, including completeness thereof. • 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. • Assessed management's discussions held with their legal consultants and understanding precedents in similar cases. • 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 Consolidated financial statements.

Independent Auditors' Report on the Audit of the Consolidated Financial Statements as at March 31, 2020

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

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

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Consolidated financial statements

The Holding 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 consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of consolidated financial statement by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in Group are responsible for overseeing financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 the 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 ability of the Group 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 consolidated 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 Group to cease to continue as a going concern.

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated 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 consolidated 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

Independent Auditors' Report on the Audit of the Consolidated Financial Statements as at March 31, 2020

communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We did not audit the financial statements and other financial information of the subsidiary company whose financial statement includes total assets of Rs. 171.16 Lakhs as at March 31, 2020, total revenue of Rs. 3.75 Lakhs and net cash flows amounting to Rs.3.05 Lakhs for the year ended on that date respectively, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss after tax of Rs. 0.11 Lakhs for the year ended March 31, 2020. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements /financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of auditors on separate financial statements and the other financial information of subsidiary company, referred in other matter paragraph above, we report, to the extent applicable 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 of aforesaid consolidated financial statements.

    b. In our opinion, proper books of account as required by law relating to preparation of aforesaid consolidated financial statements have been kept far as it appears from our examination of those books and report of other auditors.

    c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flow and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of consolidated financial statements.

    d. In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014.

    e. On the basis of the written representations received from the directors of Holding Company as on 31st March, 2020 taken on record by the Board of Directors of the Holding company, and the report of the statutory auditors of subsidiary company, none of the directors of the Group is disqualified as on 31st March, 2020 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 Group and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on auditor's report of the Holding Company and Subsidiary Company. Our report expresses an

Independent Auditors' Report on the Audit of the Consolidated Financial Statements as at March 31, 2020

unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting report of the Holding company and subsidiary company.

g. 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 Holding Company to its directors during the year is in accordance with the provision of section 197 of the Act.

h. 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 to us:

I. The Group has disclosed the impact of pending litigations on its financial position in its consolidated financial statements – Reference for the same is given in Ind AS notes to consolidated financial statements.

II. The Group 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 Holding company and its subsidiary company.

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

Parag Pansare
Partner
Membership No: 117309
UDIN - 20117309AAAAGN6773

Place : Pune
Date : 26-06-2020

Independent Auditors' Report on the Audit of the Consolidated Financial Statements as at March 31, 2020

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 Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of THE UGAR SUGAR WORKS LIMITED (hereinafter referred to as "Holding Company") and its subsidiary company as of March 31, 2020 in conjunction with our audit of the consolidated financial statements of the Holding Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Holding Company, its subsidiary company are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding 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 Holding Company, its Subsidiary 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 consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their report referred to in the other matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting with reference to these consolidated financial statements.

Independent Auditors' Report on the Audit of the Consolidated Financial Statements as at March 31, 2020

Meaning of Internal Financial Controls Over Financial Reporting

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 consolidated 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 consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of the Management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

Limitations of Internal Financial Controls Over Financial Reporting

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 and based on the consideration of the other auditors referred to in the Other Matters paragraph below, the Holding Company and its subsidiary company, which are companies incorporated in India, has, in all material aspects, an adequate financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31 2020 except that there is scope for improvement in certain areas which require strengthening of controls established by the Holding 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 March 31, 2020 consolidated financial statements of the Group, and these weaknesses do not affect our opinion on the consolidated financial statements of the Holding company.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated financial statements of the Holding company, in so far as relates to one subsidiary company, which is a company incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

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

Parag Pansare
Partner
Membership No: 117309
UDIN - 20117309AAAAGN6773
Pune, June 26, 2020

Place : Pune
Date : 26-06-2020

Consolidated Balance Sheet as at 31st March, 2020

(Amount in Rs. Lakhs)

Particulars	Ref. to Notes	As At 31 March 2020
ASSETS		
Non-current Assets		
Tangible Assets		
Property, plant and equipment	1A.	13,727.38
Capital work in progress	1A.	84.54
Investment property	1B.	8.04
Intangible Assets		
Other Intangible assets	2	5.27
Financial assets		
Non - Current Investments	3A.	369.67
Non - Current Loans & Advances	4A.	3.50
Other Non - Current Financial Assets	5A.	64.07
Other non-current assets	6	362.18
Current Assets		
Inventories	7	58,776.68
Financial Assets		
Trade receivables	8	1,154.79
Cash and cash equivalents	9	1,139.14
Others	5B	6.83
Current Tax Assets (net)	10	459.18
Other current assets	11	6,929.88
Total		**83,091.15**
EQUITY AND LIABILITIES		
Equity		
Equity Share Capital	12	1,125.00
Other Equity	13	
Share Premium	13A	1,575.00
Retained Earnings	13A	1,376.04
Other Reserves	13A	2,392.12
Other Comprehensive Income	13B	17.39
Non-current Liabilities		
Financial Liabilities		
Long Term Borrowings	14A	4,848.25
Long Term Provisions	15A	360.05
Deferred tax liabilities (Net)	16B	1,081.16

Consolidated Balance Sheet as at 31st March, 2020

(Amount in Rs. Lakhs)

Particulars	Ref. to Notes	As At 31 March 2020
EQUITY AND LIABILITIES		
Current Liabilities		
Financial Liabilities		
Borrowings	14B	36,619.76
Trade payables	17 (i)	
Total outstanding dues of micro enterprises and small enterprises		17.28
Total outstanding dues other than micro enterprises and small enterprises		17,095.95
Other payables	17 (ii)	
Total outstanding dues of micro enterprises and small enterprises		
Total outstanding dues other than micro enterprises and small enterprises		116.67
Other financial liabilities	18	10,862.91
Provisions	15B	1,464.65
Other current liabilities	19	4,138.92
Total		**83,091.15**
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

Parag Pansare
Partner
Memb. No. 117309

Place : Pune
Date : 26-06-2020

Niraj S. Shirgaokar
MD (DIN-00254525)

Chandan S. Shirgaokar
MD (DIN-00208200)

R. V. Desurkar
GM Finance
(ACA-23771)

B. G. Kulkarni
GM-Corp. Aff. & Co. Sec.
(FCS-2805)

Regd office sangli
26-06-2020

Statement of Changes in Other Equity For the year ended 31st March 2020

(Amount in Rs. Lakh)

Particulars	Equity Share Capital	Reserve and Surplus			Items of OCI	Total
		Share Premium	General Reserve	Retained Earnings	Others	
As at 1st April 2018	1,125.00	1,575.00	8,351.31	(6,518.26)	0.34	4,533.39
Profit/ Loss for the period				434.54		434.54
Acturial Gain / (Loss) Net of Tax					145.35	145.34
As at 31st March 2019	1,125.00	1,575.00	8,351.31	(6,083.72)	145.69	5,113.27
						–
As at 1st April 2019						–
Profit / Loss for the period				1,376.54		1,376.65
Acturial Gain / (Loss) Net of Tax					(128.29)	(128.30)
Less : Transfer to General Reserve for setting off				6,083.73		6,083.73
Less : Previous year losses set off			(6,083.73)			(6,083.73)
As at 31st March 2020	1,125.00	1,575.00	2,267.58	1,376.54	17.39	6,361.52

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 : Pune
Date : 26-06-2020

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26-06-2020

Consolidated Statement of Profit and Loss Account for the year ending 31st March 2020

(Amount in Rs. Lakhs)

Particulars	Ref. to Notes	As At 31 March 2020
Continuing Operations		
I Revenue From Operations	20	1,01,101.18
II Other Income	21	281.20
III Total Income (I+II)		1,01,382.38
IV Expenses		
(a) Cost of materials consumed	22	57,243.99
(b) Other Manufacturing Expenses	23	2,389.03
(c) Purchases of Stock-in-Trade	24	3,521.15
(d) Changes in inventories of finished goods, Stock-in-Trade and work-in-progress	25	7,110.32
(e) Employee benefits expenses	26	6,998.36
(f) Finance costs	27	4,313.24
(g) Excise Duty on Goods Sold		14,062.75
(h) Depreciation and amortization expense	28	1,374.55
(i) Other expenses	29	2,978.45
Total expenses (IV)		**99,991.84**
V Profit/(loss) before exceptional items and tax from continuing operations		1,390.54
VI Exceptional Items		
Profit/(loss) before tax from continuing operations		**1,390.54**
Tax expense:		
(1) Current tax		
(2) Deferred tax		14.00
(3) Short/(Excess) Provision for earlier years		–
Profit (Loss) for the period from continuing operations		1,376.54
Discontinued Operations		
Profit/(loss) from discontinued operations		
Tax expense of discontinued operations		
Profit/(loss) from Discontinued operations (after tax)		
Profit/(loss) for the year		**1,376.54**
Other Comprehensive Income		
A. Other Comprehensive Income to be reclassified to profit or loss in subsequent periods		
(i) Items that will not be reclassified to profit or loss		(197.21)
(ii) Income tax relating to items that will not be reclassified to profit or loss		68.91
Net Other Comprehensive Income to be reclassified to profit or loss in subsequent periods		(128.30)

Consolidated Statement of Profit and Loss Account for the year ending 31st March 2020

(Amount in Rs. Lakhs)

Particulars	Ref. to Notes	As At 31 March 2020
B. Other Comprehensive Income not to be reclassified to profit or loss in subsequent periods		
(ii) Income tax relating to items that will be reclassified to profit or loss		1.44
Net Other Comprehensive Income not to be reclassified to profit or loss in subsequent periods		
Other Comprehensive Income (net of tax)		
Total Comprehensive Income for the year (net of tax)		**1,249.69**
Earnings per share for Continuing Operations		
Basic computed on the basis of profit from Continuing Operations		1.22
Diluted computed on the basis of profit from Continuing Operations		1.22
Earnings per share for Discontinued Operations		
Basic computed on the basis of profit from Discontinued Operations		
Basic computed on the basis of profit from Discontinued Operations		
Earnings per share for Continuing and Discontinued Operations		
Basic computed on the basis of profit for the year		1.22
Diluted computed on the basis of profit for the year		1.22

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 : Pune
Date : 26-06-2020

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GM Finance
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GM-Corp. Aff. & Co. Sec.
(FCS-2805)

Regd office sangli
26-06-2020

Consolidated Statement of Cash Flows for the year ended 31st March 2020

(Amount in Rs. Lakhs)

	Particulars	Financial Year 2019-20	*Financial Year 2019-20*
A.	**Net profit before tax and extraordinary items**		**1,390.53**
	Adjustment for:		
	Depreciation	1,366.92	
	Amortisation of Intangible Assets	7.63	
	Provision for Doubtful Debts	123.85	
	Loss/Gain on Disposal/Adjustment of PPE	291.46	
	Finance Costs	4,313.24	
	Investment Income	(13.01)	
			6,090.09
	Operating profit before working capital changes		**7,480.62**
	Decrease (Increase) in trade receivables, advances and other assets	(2,520.37)	
	Decrease (Increase) in Inventories	6,940.87	
	Increase (Decrease) in trade payables , provisions and other liabilities	(7,301.09)	
			(2,880.59)
	Cash Generated from operations		4,600.03
	Direct Tax		(2.59)
	Cash flow before extraordinary items		4,597.44
	Extraordinary items		–
	Net cash from operating activities		**4,597.44**
B.	**Cash flow from investing activities**		**–**
	Purchase of property, plant and equipment		(134.33)
	Purchase / Sale of Investments		2.68
	Interest and Dividend received		10.08
	Net cash from investing activities		(121.57)
C.	**Cash flow from financing activities**		**–**
	Interest paid		(4,302.75)
	Proceeds / (Repayment) from long term borrowings (net)		4,848.25
	Proceeds / (Repayment) from short term borrowings (net)		(4,234.66)
	Net cash from financing activities		(3,689.16)
D.	Net increase/(decrease) in cash and cash equivalents (A+B+C)		786.71
E.	Opening Cash and Cash equivalents		345.36
	Upon addition of Subsidiaries		7.07
F.	Closing Cash and Cash equivalents		1,139.14

Notes to Cash Flow Statement

1 Cash Flow Statement has been prepared under indirect method as set out in Ind AS 7.

2 Purchase of property, plant and equipment includes movement in Capital Work in Progress and Capital Advances

As per our report attached

For **M/s Kirtane & Pandit LLP**
Chartered Accountants
Firm Regn. No. 105215W/W100057
Parag Pansare
Partner
Memb. No. 117309
Place : Pune
Date : 26-06-2020

Niraj S. Shirgaokar
MD (DIN-00254525)

R. V. Desurkar
GM Finance
(ACA-23771)

Regd office sangli
26-06-2020

Chandan S. Shirgaokar
MD (DIN-00208200)

B. G. Kulkarni
GM-Corp. Aff. & Co. Sec.
(FCS-2805)

Notes to Consolidated financial statements for the year ended March 31, 2020

Note No. 1 Tangible Assets
1A. Property Plant and Equipment

Particulars	Free hold Land	Building	Plant and Equipments (owned)	Office Equipments	Vehicles	Total Property Plant & Equipments	Capital Work in Progress
Cost or Valuation							
Balance as on 31 March 2019	**433.50**	**3,514.52**	**46,276.05**	**480.70**	**953.34**	**51,658.11**	**42.11**
Additions during 01 April 2019 to 31 March 2020	–	–	34.02	14.25	2.04	50.30	103.68
Assets of Ugar Theatre	147.70	23.75					
Reclassification of Non Current Assets Held for Sale	–	–	–	–	–	–	–
Disposals during 01 April 2019 to 31 March 2020	–	–	(1,291.67)	–	–	(1,291.67)	(61.25)
Balance as on 31 March 2020	**581.20**	**3,538.27**	**45,018.39**	**494.95**	**955.38**	**50,588.19**	**84.54**
Accumulated Depreciation							
Balance as on 01 April 2018	–	2,038.86	30,910.63	400.53	669.13	34,019.14	–
Depreciation charge for the year ended 31 March 2019	–	91.04	1,352.74	19.07	78.16	1,541.01	–
Disposal/Adjustment during 01 April 2018 to 31 March 2019	–	(1.20)	(56.75)	(0.56)	0.09	(58.42)	–
Reclassification of Non Current Assets Held for Sale							
Balance as on 31 March 2019	–	2,128.70	32,707.89	419.04	747.37	36,003.01	–
Depreciation charge for the year ended 31 March 2020	–	84.93	1,195.47	25.75	60.25	1,366.40	–
Disposal/Adjustment during 01 April 2019 to 31 March 2020	–	1.03	(1,007.17)	0.65	0.03	(1,005.45)	–
Balance as on 31 March 2020	–	2,214.66	32,896.20	445.44	807.66	36,363.96	–
Impairment of Assets							
Balance as on 31 March 2019	–	–	496.86	–	–	496.86	–
Change for the Year 2018-19	–	–	–	–	–	–	–
Balance as on 31 March 2020	–	–	496.86	–	–	496.86	–
Net Book Value							
As on 31.03.2020	581.20	1,323.61	11,625.33	49.51	147.72	13,727.38	84.54

Notes to Consolidated financial statements for the year ended March 31, 2020

1B. Investment Property (Amount in Rs. Lakhs)

Particulars	As on 31 March 2020
Cost	
Balance as on 31 March 2019	29.82
Additions (subsequent expenditure) during 01 April 2019 to 31 March 2020	
Balance as on 31 March 2020	29.82
Accumulated Depreciation	–
Balance as on 31 March 2019	21.26
Depreciation charge for the year ended 31 March 2020	0.52
Impairment for the year ended 31 March 2020	–
Balance as on 31 March 2020	**21.78**
Net Book Value	
As at 31.03.2020	**8.04**

Note No. 2 Intangible Assets (Amount in Rs. Lakhs)

Particulars	Computer Software
Cost	
Balance as on 31 March 2019	203.53
Additions during 01 April 2019 to 31 March 2020	–
Disposals during 01 April 2019 to 31 March 2020	–
Discontinued Operations	–
Balance as on 31 March 2020	203.53
Accumulated Amortisation and impairment	
Balance as on 31 March 2019	185.39
Amortisation during 1 April 2019 to 31 March 2020	7.63
Disposals/Adjustment during 01 April 2019 to 31 March 2020	5.24
Impairment during 1 April 2019 to 31 March 2020	–
Balance as on 31 March 2020	198.26
Net Book Value	
As at 31 March 2020	**5.27**

Notes to Consolidated financial statements for the year ended March 31, 2020

Note No. 3A : Non Current Investments (Amount in Rs. Lakhs)

Particulars	As on 31 March 2020
Investments at Fair Value through Profit and Loss	
a. Investment in Mutual Funds	
37,979.28 (35201.263) Units of Rs. 10 each of UTI Balanced Fund (At NAV)	7.78
b. Investment in Preference Shares	
(ii) 4,75,000 (6,40,000) 10% Cumulative Redeemable Preference Shares of Rs. 100 each of Synergy Green Industries Ltd. (At Fair Value)	356.87
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
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
(ii) 3,750 (3,750) Shares of Rs. 10 each of Sangli Urban Co-operative Bank Ltd.	5.00
(iii) 30 (0) Shares of Rs. 50 each of Dombivali Nagari Sahakari Bank (At Cost)	0.02
Sub-Total	**27.77**
Provision for diminition in value of investments	(122.75)
Total	**369.67**

Note No. 4A : Non Current Loans & Advances (Amount in Rs. Lakhs)

Particulars	As on 31 March 2020
Advance to Trusts - Babukaka Shirgaokar Tech. Edu. Trust	3.50
Total	**3.50**

Notes to Consolidated financial statements for the year ended March 31, 2020

Note No. 5A : Other Non Current Financial Assets (Amount in Rs. Lakhs)

Particulars	As on 31 March 2020
Security Deposits good	64.07
Considered Doubtful	28.00
Sub-Total	**92.07**
Less: Provision for Doubtful	28.00
Non-Current portion in term deposits with banks with original maturity for more than 12 months	
Total	**64.07**

Note No. 5B : Other Current Financial Assets (Amount in Rs. Lakhs)

Particulars	As on 31 March 2020
Accrued Interest on Bank Deposits & Advances	6.83
Total	**6.83**

Note No. 6 - Other Non Current Assets (Amount in Rs. Lakhs)

Particulars	As on 31 March 2020
VAT & Excise (Appeal) Receivable	45.31
Capital Advance Paid to Others	263.76
Security deposits with Government Authorities	53.01
Tax paid in Advance	0.10
Total	**362.18**

Notes to Consolidated financial statements for the year ended March 31, 2020

Note No. 7 - Inventories (Amount in Rs. Lakhs)

Particulars	As on 31 March 2020
Raw material (at cost)	
Crop in Progress	10.57
Other Raw Material	107.87
Finished Goods (at lower of cost and net realisable value)	
Sugar, Molasses and Spirit	56,746.43
Bagasse- Own	628.73
Stock in Trade	
Petroleum Products, Cane Development Material	76.12
Stores, Spares, Fuel	
Stores, Spare Parts and Others	1,206.96
Total	**58,776.68**

Note No. 8 : Current Trade Receivables (Amount in Rs. Lakhs)

Particulars	As on 31 March 2020
Trade Receivable	
Considered Good	1,154.79
Considered Doubtful	187.44
Provision for Doubtful debts	(187.44)
Total	–
Total Trade Receivables	**1,154.79**

Note No. 9 : Cash & Cash Equivalents (Amount in Rs. Lakhs)

Particulars	As on 31 March 2020
Cash in Hand	16.41
Balances with Bank :	
- Balances with banks in Current Accounts :	981.16
- Earmarked for Unpaid dividends	31.30
	1,012.46
Balances in Term Deposits :	
(With Original Maturity for more than 12 months)	
- For Issue of bank guarantees	110.27
- Others	--
	110.27
Less : Non Current Portion in the above disclosed as Non-Current Assets	
Total	**1,139.14**

Notes to Consolidated financial statements for the year ended March 31, 2020

Note No. 10 : Current Tax Assets (Net) (Amount in Rs. Lakhs)

Particulars	As on 31 March 2020
Advance Payment of Taxes	2,415.94
MAT Credit Receivable	407.24
Sub-Total	**2,823.18**
Less : Tax Provision	2,364.00
Total	**459.18**

Note No. 11 : Other Current Assets (Amount in Rs. Lakhs)

Particulars	As on 31 March 2020
Balances with Government Authorities	168.25
Advances to Cultivators and Cane-Growers	
Considered Good	1,316.38
Considered Doubtful	289.12
Sub-Total	**1,605.50**
Less: Provision for Doubtful Advances	(289.12)
Sub-Total	**1,316.38**
Advances to Employees	56.88
Advances for Capital Goods & Spares	2.47
Advances for Materials & Services	100.54
Advances for Others	35.73
Sub-Total	**195.62**
Subsidy Receivable from Government	5,003.60
Prepaid expenses	88.89
Excess Interest Recovered by Banks - Receivable	153.45
Transport Subsidy Receivable	3.69
Total	**6,929.88**

Notes to Consolidated financial statements for the year ended March 31, 2020

Note No. 12 : Share Capital

Authorised Share Capital (Amount in Lakh)

Particulars	Equity Shares No.	Equity Shares Amount in Rs.
At 31 March 2019	**2,000.00**	**2,000.00**
Increase during the year	–	–
(Decrease) during the year	–	–
At 31 March 2020	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

Issued Equity Capital (Amount in Lakh)

Particulars	No.	Amount in Rs.
Equity shares of Rs. 1 each issued, subscribed and fully paid up		
At 31 March 2019	1,125.00	1,125.00
Increase during the period	–	–
(Decrease) during the year	–	–
At 31 March 2020	**1,125.00**	**1,125.00**

Details of shareholders holding more than 5% shares in the company (Figures in Lakhs)

Particulars	No.	No.
SB Reshellers Private Limited	197.04	197.04
Percentage Holding in the class	17.51	17.51
Total	**197.04**	**197.04**

Notes to Consolidated financial statements for the year ended March 31, 2020

Note No. 13: Other Equity

Note No. 13 (i): Reserves and Surplus

(Amount in Rs. Lakhs)

Particulars	**As on 31 March 2020**
Securities Premium	
As per last Balance Sheet	1,575.00
Appropriation for the year	–
General Reserve	
As per last Balance Sheet	8,351.31
Appropriation for the year	
Less : Previous year losses set off	(6,083.73)
	2,267.58
Capital Reserve	**123.07**
Asset Revaluation Reserve	1.44
Retained Earnings	
As per last Balance Sheet	(6,083.73)
Profit/(Loss) carried from Statement of Profit and Loss	1,376.54
Add : Recoupement from revaluation building	(0.49)
Balance of Profit after adjustments	**4,707.68**
Less : Transfer to General Reserve for setting off	(6,083.73)
Balance Carried forward	1,376.05
Other Comprehensive Income (Net of Tax)	(128.30)
Total	**5,343.16**

Note No. 13 (Ii): Other Comprehensive Income

(Amount in Rs. Lakhs)

Particulars	**As on 31 March 2020**
As per last Balance Sheet	145.69
For the Year	(128.30)
Total	**17.39**

Notes to Consolidated financial statements for the year ended March 31, 2020

Note No. 14A : Long Term Borrowings (Amount in Rs. Lakhs)

Particulars	Effective Interest Rate	Maturity Date	As on 31 March 2020
Term Loans			
From Bank			
(v) Central Bank of India - Soft Loan for Payment of FRP (Secured)	1Year MCLR + 3.50%	Mar-24	3,985.00
(vi) Bank of Baroda - Soft Loan for Payment of FRP (Secured)	1Year MCLR+ 3.25%	Dec-23	1,253.00
(vii) Union Bank of India - Soft Loan for Payment of FRP (Secured)	1Year MCLR+ 4.40%	Mar-24	1,286.00
			6,524.00
Less: Current maturities in respect of above loans disclosed separately under Current Liabilities			1,675.75
Sub-Total			**4,848.25**
Less: Current maturities in respect of above loans disclosed separately under Current Liabilities			–
Sub-Total			**–**
Total Long Term Borrowings			**4,848.25**

Notes to Consolidated financial statements for the year ended March 31, 2020

Details of Secured Term Loans

(i) Central Bank of India - Soft Loan for Payment of FRP (Secured)
The loan was obtained for payment of cane price arrears for the season 2018-19 relating to the Fair & Remunerative Price (FRP). The loan is secured by extension of 1st pari passu charge on all assets at Ugar and Jewargi. Interest on loan is subvented by the Government at 7% to the Bank for a period of one year upto March 2020. The loan is repayable in 48 monthly Instalments of Rs.83.02 lakhs each. The last Instalment is due in March 2024.

(ii) Bank of Baroda - Soft Loan for Payment of FRP (Secured)
The loan was obtained for payment of cane price arrears for the season 2018-19 relating to the Fair & Remunerative Price (FRP). The loan is secured by extension of 1st pari passu charge on all assets at Ugar and Jewargi. Interest on loan is subvented by the Government at 7% to the Bank for a period of one year upto June 2020. The loan is repayable in 18 quarterly Instalments of Rs. 89.50 lakhs each. The last Instalment is due in December 2023.

(iii) Union Bank of India - Soft Loan for Payment of FRP (Secured)
The loan was obtained for payment of cane price arrears for the season 2018-19 relating to the Fair & Remunerative Price (FRP). The loan is secured by extension of 1st pari passu charge on all assets at Ugar and Jewargi. Interest on loan is subvented by the Government at 7% to the Bank for a period of one year upto March 2020. The loan is repayable in 48 monthly Instalments of Rs. 26.79 lakhs each. The last Instalment is due in March 2024.

Notes to Consolidated financial statements for the year ended March 31, 2020

Note No. 14B : Borrowings (Amount in Rs. Lakh)

Particulars	As on 31 March 2020
Working Capital Loans	
From Bank	
Cash Credit Hypothecation - (Central Bank Of India) (Secured)	
— Hypothecation of Stores	342.45
— ODBD	974.78
Cash Credit Pledge (Secured)	
Bank Of Baroda	8,300.47
Central Bank of India	13,993.06
Union Bank of India	7,946.72
Sangli Urban Bank	1,008.49
Dombivali Nagari Sahakari Bank	3,945.76
- Balances with banks in Current Accounts :	–
Fixed Deposit from Directors	108.02
Total	**36,619.76**

Note No. 15A : Long Term Provisions (Amount in Rs. Lakh)

Particulars	As on 31 March 2020
Provision for Leave Salary	360.05
Total	**360.05**

Note No. 15B : Short Term Provisions (Amount in Rs. Lakh)

Particulars	As on 31 March 2020
Provisions for Employee Benefits	
Provision for Gratuity	1,421.96
Provision for Leave Salary	42.69
Total	**1,464.65**

Notes to Consolidated financial statements for the year ended March 31, 2020

Note No. 16 - Income Taxes

The major components of income tax expense for the years ended 31 March 2020 are:

Note No. 16A. Statement of Profit and Loss

(i) Profit and Loss Section (Amount in Rs. Lakh)

Particulars	As on 31 March 2020
Current Income Tax :	
Current income tax charge	–
Adjustment in respect of current income tax of previous year	–
Deferred Tax :	
Relating to origination and reversal of temporary differences	14.00
Income Tax expense reported in the statement of profit or loss	14.00

(ii) OCI Section (Amount in Rs. Lakh)

Particulars	As on 31 March 2020
Deferred Tax related to items recognised in the OCI during the year:	
Net (gain)/loss on remeasurement of defined benefit plans	68.91
Income Tax charged to OCI	68.91

Notes to Consolidated financial statements for the year ended March 31, 2020

Note No. 16B. Deferred Tax

Deferred Tax relates to the following : (Amount in Rs. Lakh)

Particulars	**Balance Sheet 31-Mar-20**	**Statement of Profit and Loss 31-Mar-20**
Deferred Tax Liabilities		
On account of timing differences in -		
Depreciation	1,913.34	39.43
Less: Deferred Tax Assets		
On account of timing differences in -		
a. Provision for doubtful debts & advances	(177.28)	(49.26)
b. Disallowances under the Income Tax Act	(654.90)	(45.23)
	(832.18)	(94.49)
Total	**1,081.16**	**(55.06)**

Reflected in the Balancesheet as follows : (Amount in Rs. Lakhs)

Particulars	**As on 31 March 2020**
Deferred Tax Assets (Continuing Operation)	(832.18)
Deferred Tax Liabilities :	
Continuing operations	1,913.34
Discontinued operations	
Deferred Tax Liabilities (net)	**1,081.16**

Note No. 17 (i) : Current Trade Payables (Amount in Rs. Lakhs)

Particulars	**As on 31 March 2020**
Total Outstanding Dues of Micro & Small Enterprises	17.28
Total Outstanding Dues of other than Micro & Small Enterprises	17,095.96
Total	**17,113.24**

Note No. 17 (ii) : Current Other Payables (Amount in Rs. Lakhs)

Other Payables	99.95
Payable for capital goods	16.72
Total	**116.67**

Notes to Consolidated financial statements for the year ended March 31, 2020

Note No. 18 : Other Current Financial Liabilities (Amount in Rs. Lakh)

Particulars	As on 31 March 2020
Current Maturities of Long Term Debts - Secured	
From Banks	1,675.75
From Others	–
Harvesters & Transporters Loan	
Canara Bank	5,583.45
Crop Loan of Union Bank of India	2,711.76
Interest accrued but not due on borrowings	–
Interest accrued and due on borrowings	26.84
Investors Education and Protections Fund	
(Amounts to be credited to the said Fund when due)	
Unpaid Dividend	31.30
Unpaid Matured Deposits & Interest Accrued	2.55
Trade Deposits and Advances	172.87
Salaries, Wages, Bonus & Commission Payable	640.30
Land Rent, Contractors Retention	0.96
Other Payables	17.13
Total	**10,862.91**

Note No. 19 : Other Current Liabilities (Amount in Rs. Lakh)

Particulars	As on 31 March 2020
Provision for Excise Duty on Finished Goods	298.83
Outstanding Expenses	2,726.30
Advance from Customers	595.76
Rent Payable	31.55
Freight Payable	37.13
Amounts refundable to Cultivators & Contractors	25.67
Statutory Dues Payable	423.68
Total	**4,138.92**

Notes to Consolidated financial statements for the year ended March 31, 2020

Note No. 20 : Revenue from Operations (Amount in Rs. Lakhs)

Particulars	For the year ended 31 March 2020
Continuing Operations	
Sale of Product	
a. Finished Goods (Including Excise duty)	
Sugar/ Sugar Sachet	64,995.77
Rectified Spirit	2,055.54
Denatured Spirit	3,008.37
Potable Alcohol (including excise duty)	18,118.70
Electricity	3,157.74
b. Traded Goods	
Cane Development Material	–
Petroleum Products	3,595.79
c. Bye Products & Others	1,687.93
Total Sale of Products	96,619.83
Other Operating Revenues	
Export Incentive on Raw Sugar	4,481.35
Total	**1,01,101.18**

Note No. 21 : Other Income (Amount in Rs. Lakhs)

Particulars	For the year ended 31 March 2020
Non Operating Revenues	
Sale of Services	
Machinery & Bullock Cart Hire Charges	0.32
Excess Provisions & Unclaimed Credit	
Balances Written Back	42.73
Others	
Insurance Claims Received	115.68
Sale of Scrap	4.22
Miscellaneous Receipts	41.30
Total	**204.25**

Note No. 21 : Other Income (Amount in Rs. Lakhs)

Particulars	For the year ended 31 March 2020
Dividend on Non - Trade investments	0.74
Interest on Loans and Bank Deposits and Others	76.21
Total	**76.95**

Notes to Consolidated financial statements for the year ended March 31, 2020

Note No. 22 : Cost of Material Consumed (Amount in Rs. Lakhs)

Particulars	For the year ended 31 March 2020
A. Cost of Raw Material and Components	
01. Sugarcane	
Purchased	43,293.49
Harvesting & Transport	10,319.60
Cane Purchase and Development	194.99
Research and Development	192.80
Sub-Total	**54,000.88**
02. Other Raw Material	
Molasses	5,120.17
Malt	14.61
Rectified Spirit	1,428.56
Others	15.47
Sub-Total	**6,578.81**
Less : Inter-segment transfers	(6,208.82)
Sub-Total	**369.99**
B. Stores Spares Chemicals and Others	2,873.11
Total	**57,243.99**

Note No. 23 : Other Manufacturing Expenses (Amount in Rs. Lakhs)

Particulars	For the year ended 31 March 2020
Power Fuel and Water	715.17
Repairs and Maintenance Plant and Machinery	1,673.86
Total	**2,389.03**

Note No. 24 : Purchase of Stock in Trade (Amount in Rs. Lakhs)

Particulars	For the year ended 31 March 2020
Petroleum Products	3,521.15
Others	–
Total	**3,521.15**

Notes to Consolidated financial statements for the year ended March 31, 2020

Note No. 25 : Changes in Inventory

(Amount in Rs. Lakhs)

Particulars	For the year ended 31 March 2020
1. Inventory at the beginning of the year	
a. Finished goods	
i. Sugar,Molasses,Spirit etc	
Sugar	60,177.70
Rectified Spirit	647.80
Potable Alchohol	1,093.74
Molasses	1,638.22
Others	174.35
	63,731.81
ii. Bagasse -own	726.86
Total	**64,458.67**
b. Stock in Trade at the beginning of the year	
Petroleum Products	43.67
	64,502.34
Less : Excise duty on Opening inventory	927.84
Opening Inventory (net of Excise duty)	**63,574.50**
2. Inventory at the end of the year	
a) Finished goods	
i. Sugar,Molasses,Spirit etc	
Sugar	49,406.76
Rectified Spirit	844.48
Potable Alchohol	1,247.78
Molasses	5,133.62
Others	113.80
	56,746.43
ii. Bagasse - own	628.73
Total	**57,375.16**
b) Stock in Trade at the end of the year	
Petroleum Products	76.12
	57,451.28
Less : Excise duty on Closing Inventory	987.10
Closing Inventory (net of Excise duty)	56,464.18
Net (Increase)/Decrease in Inventories	**7,110.32**

Notes to Consolidated financial statements for the year ended March 31, 2020

Note No. 26 : Employee Benefit Expenses (Amount in Rs. Lakhs)

Particulars	For the year ended 31 March 2020
Salaries, Bonus and Commission	4,978.52
Remuneration to Employees employed by contractors	1,299.58
Contribution to Provident and Other Funds	439.85
Gratuity Expenses	207.78
Workmen and Staff Welfare	72.63
Total	**6,998.36**

Note No. 27 : Finance Costs (Amount in Rs. Lakhs)

Particulars	For the year ended 31 March 2020
Interest on debts and borrowings	4,074.57
Other Finance Charges	238.67
Total	**4,313.24**

Note No. 28 : Depreciation, Amortization and Impairment (Amount in Rs. Lakhs)

Particulars	For the year ended 31 March 2020
Depreciation of Tangible Assets	1,366.40
Amortization of Intangible Assets	7.63
Depreciation of Investment Properties	0.52
Total	**1,374.55**

Note No. 29 : Other Expenses (Amount in Rs. Lakh)

Particulars	For the year ended 31 March 2020
1. Administrative Expenses	
Repairs and Maintenance of Buildings	107.60
General Repairs and Maintenance	419.20
Insurance	87.86
Rent	39.78
Rates and Taxes	402.01
Bank Charges	3.58
Printing and Stationery	16.84
Travelling and Conveyance	81.12

Notes to Consolidated financial statements for the year ended March 31, 2020

Note No. 29 : Other Expenses (Amount in Rs. Lakhs)

	Particulars	For the year ended 31 March 2020
	Motor Car/ Other Vehicle Expenses	96.26
	Donations	2.10
	Assets Written off	225.41
	Directors Sitting Fees	12.30
	Payment to Auditors	15.31
	Bad debts and Sundry Advance Written off	2.15
	Provision for Doubtful Debts and Advances	123.85
	Unrealised Loss on Units	3.41
	Miscellaneous	312.83
		1,951.62
2.	**Selling and Distribution Expenses**	
	Freight and Insurance, etc. on Outward Consignments	653.74
	Commission to Selling Agents and representatives	360.62
	Advertisements	12.47
		1,026.83
	Total	**2,978.45**

Payment to Auditors (Amount in Rs. Lakhs)

Particulars	For the year ended 31 March 2020
Statutory Auditors :	
As Auditors:	
Audit fees	7.20
Tax Audit fees	1.35
Limited Review fees	1.12
In other capacity:	
Taxation matters	
Company Law matters	0.05
Other services (certification fees)	0.70
Reimbursement expenses	0.94
	11.36
Cost Auditors :	
As Auditors:	
Audit fee	2.30
In other capacity:	
Reimbursement expenses	–
	2.30
Secretarial Auditors :	
As Auditors:	
Audit fee	1.50
In other capacity:	
Certification fees	0.15
Reimbursement expenses	–
	1.65
Total	**15.31**

NOTE C : CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES:

GROUP INFORMATION

Holding Company

The Ugar Sugar Works Ltd. is a Public Limited Company (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 is located at Mahaveernagar, Sangli. The holding company is engaged in manufacture and sale of sugar, industrial and potable alcohol, and generation and distribution of electricity. Company's plants are located at Ugarkhurd in Belagavi District and at Malli-Nagarhalli Village in Kalburgi District in the state of Karnataka.

Subsidiary Company

The Ugar Theatre Private Ltd, a Subsidiary Company of The Ugar Sugar Works Ltd, is domiciled and incorporated in India, having its Registered Office at Ugar Khurd-591 316, Company is engaged in the warehousing services.

The Holding Company and Subsidiary Company together referred as the Group.

2. SIGNIFICANT 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 CONSOLIDATED 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.

The consolidated financial statements incorporate the financial statements of the holding company, its subsidiary being the entity that it controls. Control is evidenced where the holding company has power over the investee or is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Power is demonstrated through existing rights that give the ability to direct relevant activities, which significantly affect the entity returns.

The consolidated financial statements include results of the subsidiary company, consolidated in accordance with Ind AS 110 (Consolidated Financial Statements).

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 Group. In estimating the fair value of an asset or a liability, the Group 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 Group 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.

NOTE C : CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES:

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 17, 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
- 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 Group 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 Group management determines the policies and procedures for recurring and non- recurring fair value measurement. Involvement of external valuers is decided upon annually by the Group management.

At each reporting date the Group'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 Group's accounting policies.

(c) CURRENT AND NON- CURRENT CLASSIFICATION

All assets and liabilities have been classified as current or non-current as per the Group'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 Group 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.

NOTE C : CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES:

Deferred tax assets and liabilities are classified as non - current assets and liabilities.

The Group 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 Group 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 Group’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.

(e) USE OF ESTIMATES

In preparing Consolidated Financial Statements in conformity with Ind AS, Group’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	10 to 40
Furniture and Fixtures	10
Vehicles	8 to 10
Office Equipment	3 to 6
Investment Property – Building	3 to 60

NOTE C : CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES:

The economic useful lives of assets are assessed based on a technical evaluation, taking into account the 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.

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 Group'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 Group 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 Group depreciates building component of investment property over years from the date of original purchase / date of capitalisation.

NOTE C : CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES:

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by Group, 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 Group 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 Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

As a lessee

The Group accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components. The Group recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss. The Group measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses incremental borrowing rate. For leases with reasonably similar characteristics, the Group, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed

NOTE C : CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES:

payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Group is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Group recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognises any remaining amount of the re-measurement in statement of profit and loss.

For transition, the Group 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.

As a lessor

At the inception of the lease Group classifies each of its leases as either an operating lease or a finance lease. Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term.

(h) IMPAIRMENT OF NON- FINANCIAL ASSETS (TANGIBLE AND INTANGIBLE)

At the end of each reporting period, Group 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, Group 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 the 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 re valued with revaluation surplus taken to OCI. For such properties the impairment is recognised in OCI up to the amount of any

NOTE C : CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES:

previous revaluation surplus.

(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, crops in progress and Petroleum products valued at lower of cost and net realisable value. 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

With effect from 1st April 2018 Ind AS 115 pertaining to Revenue from Contracts with Customers has replaced the earlier revenue recognition standard Ind AS 18 revenue recognition. Ind AS 115 applies to contract with customer and establishes principles on reporting the nature, amount, timing and uncertainty of revenue and cash flows arising from such contracts with customer. Group has adopted modified retrospective approach. As per the approach entities will recognise cumulative effect initially applying Ind AS 115 as an adjustment to the opening balance of equity at the date of initial application. Since the impact of the same was immaterial same has not been considered in the books of Group. 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. Revenue recognition is based on the five-step revenue recognition model.

- Identifying the contract with customer.

NOTE C : CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES:

- 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.

Group 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 Group.

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.

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) INVESTMENTSIN 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) Group will comply with the conditions attached to them and (ii) the grant/subsidy will be received.

NOTE C : CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT 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 the Group 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 Group 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 Group.

Transactions and Balances

Transactions in currencies other than Group's functional currency are recognized at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the closing exchange rate prevailing as at the reporting date. Exchange rate differences arising on settlement or translation of monetary items are recognized in profit and loss statement.

Non-monetary assets and liabilities denominated in a foreign currency are translated using the exchange rate prevailing at the date of initial recognition (in case measured at historical cost) or at the rate prevailing at the date when the fair value is determined (in case measured at fair value). The gain/ loss on the change of fair value of item (i.e. translation differences on items whose fair value or loss is recognized on OCI (other comprehensive income) or profit or loss are also recognized in OCI or profit or loss, respectively).

Foreign exchange differences are recognized in profit or loss in the period in which they arise except for exchange difference on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest cost on those foreign currency borrowings.

(n) INVESTMENTS

Group 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 2020.

(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 recognised as an expense at the undiscounted amount in the statement of profit and loss of the year in which the related service is rendered.

NOTE C : CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES:

Other Long-Term Employee Benefits

Group 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 Group are entitled to receive benefits under the Provident Fund, a defined contribution plan in which both the employees and Group make monthly contributions at a specified percentage of the covered employees' salary. Group 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

Group 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. Group makes annual contributions to Gratuity Fund and Group 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.

NOTE C : CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES:

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 authority. Current tax assets and tax liabilities are offset where Group has a 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 Group 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 Group will pay normal income tax during the specified period.

(r) PROVISIONS

Provisions are recognized when Group 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 Group 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.

NOTE C : CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES:

Financial assets and liabilities are recognised when Group 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.

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

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, Group 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.

NOTE C : CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES:

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 combination to which Ind AS 103 Business Combinations applies are classified as at FVTPL. For all other equity instruments, Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. Group makes such election on an instrument by- instrument basis. The classification is made on initial recognition and is irrevocable. If Group 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, Group may transfer the cumulative gain or loss within 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 Group's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- Group 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) Group has transferred substantially all the risks and rewards of the asset, or

b) Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When Group 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, Group continues to recognise the transferred asset to the extent of Group's continuing involvement. In that case, Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that Group 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 Group could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, Group 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

NOTE C : CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT 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

Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables. The application of simplified approach does not require Group 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, Group 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 Group 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, Group 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.

- 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.

NOTE C : CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES:

For assessing increase in credit risk and impairment loss, Group 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.

Group'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:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains / losses attributable to changes in own credit risk are recognized in OCI. These gains / losses are not subsequently transferred to P&L. However, Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. Group has not designated any financial liability as at fair value through profit and loss.

This is the category most relevant to Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. 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 as finance costs in the statement of profit and loss. This category generally applies to borrowings.

Financial guarantee contracts

Financial guarantee contracts issued by Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss or

NOTE C : CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES:

allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Group on a contract by contract basis, elects to account for financial guarantee contracts, as a financial instrument or as an insurance contract, as specified in Ind AS 109 of Financial Instrument and IndAS 104 on Insurance Contracts. For insurance contract, Group performs a liability adequacy test (i.e. assesses the likelihood of any pay-out based on current discounted estimates of future cash flows), and any deficiency is recognised in statement of profit and loss.

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.

Foreign exchange gains and losses

Financial liabilities denominated in a foreign currency are measured at amortized cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortized cost of the instruments and are recognized in the Statement of Profit or Loss.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured at fair value through profit or loss, the foreign exchange component forms part of the fair value gains or losses and is recognized in the Statement of Profit and Loss.

Embedded derivatives

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in away similar to a standalone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.

If the hybrid contract contains a host that is a financial asset within the scope of Ind AS 109, Group does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value though profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss, unless designated as effective hedging instruments.

NOTE C : CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES:

Reclassification of financial assets and liabilities

Group 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. Group's senior management determines change in the business model as a result of external or internal changes which are significant to Group's operations. Such changes are evident to external parties. A change in the business model occurs when Group either begins or ceases to perform an activity that is significant to its operations. If Group 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. Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement

Group uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The purchase contracts that meet the definition of a derivative under Ind AS 109 are recognised in the statement of profit and loss. Commodity contracts that are entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with Group's expected purchase, sale or usage requirements are held at cost.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment

- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment

- Hedges of a net investment in a foreign operation

NOTE C : CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES:

At the inception of a hedge relationship, Group formally designates and documents the hedge relationship to which Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes Group's risk management objective and strategy for undertaking hedge, the hedging / economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

i) Fair value hedges

The change in the fair value of a hedging instrument is recognised in the statement of profit and

loss as finance costs. The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognised in the statement of profit and loss as finance costs. For fair value hedges relating to items carried at amortised cost, any adjustment to carrying value is amortised through profit or loss over the remaining term of the hedge using the EIR method. EIR amortisation may begin as soon as an adjustment exists and no later than when the hedged item ceases to be adjusted for changes in its fair value attributable to the risk being hedged.

If the hedged item is derecognised, the unamortised fair value is recognised immediately in profit or loss. When an unrecognised firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognised as an asset or liability with a corresponding gain or loss recognised in profit and loss.

ii) Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss. The forward currency contracts are used as hedges of its exposure to foreign currency risk in forecast transactions and firm commitments, as well as forward commodity contracts for its exposure to volatility in the commodity prices. The ineffective portion relating to foreign currency contracts is recognised in finance costs and the ineffective portion relating to commodity contracts is recognised in other income or expenses. Amounts recognised as OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs. When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised as OCI are transferred to the initial carrying amount of the non-financial asset or liability. If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met.

iii) Foreign exchange forward contract

While Group entered into other foreign exchange forwards contract with the intention of reducing the foreign exchange risk of expected sales and purchases, these other contracts.

NOTE C : CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES:

(t) NON-CURRENT ASSETS HELD FOR SALE

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell. Non-current assets are not depreciated or amortised while they are classified as held for sale.

(u) DERIVATIVE FINANCIAL INSTRUMENTS

Derivative financial instruments such as forward contracts, option contracts and cross currency swaps, to hedge its foreign currency risks are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value with changes in fair value recognised in the Statement of Profit and Loss in the period when they arise.

(v) 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.

(W) 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, share splits 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.

(x) SEGMENT REPORTING

Group's Segment predominantly based on Sugarcane based produce and allied activities. The Operational Segments constitute of Sugar, Industrial Alcohol, Potable Alcohol, Co – Generation and Petroleum products Sale. As regards to Geographical Segments, the segments are located at Ugar Khurd 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 standalone statements.

The accounting policies adopted for segment reporting are in line with the accounting policies adopted by Group, with the following additional policies for segment reporting:

NOTE C : CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES:

(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.

(iii) Revenue, Expenses, Assets and Liabilities, which relate to the enterprise as a whole and are not allocable to segments on a reasonable basis, have been included under "Unallocated".

(y) 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 the grouped with property plant and equipment under appropriate head and depreciation is provided at the applicable rate. Group will recognize development expenditure as intangible assets when Group 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.

z) 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.

(aa) CONSOLIDATION OF ACCOUNTS

Ugar Theatre Pvt. Ltd. is a Subsidiary company. hence consolidation of accounts as per the provisions of Ind AS 110 and other relevant provisions of the Companies Act, is considered.

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of Group's accounting policies, which are described in Note No. C-2, the Management of Group 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 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

NOTE C : CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES:

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 Group'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

Group 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 Consolidated Financial Statements for the Financial Year Ended 31-03-2020

(Amount in Rs. Lakhs)

Particulars	Financial Year 2019-20
Note D : Other Information	
1 Contingent Liabilities not provided for	
a. Claims against the Company not acknowledged as debts	–
b. Excise Duty / Service Tax, Liability Disputed	395.26
c. Income Tax, Liability Disputed	199.59
d. Sales Tax, Liability Disputed	20.14
e. Corporate Guarantees given to the Bankers	–
For loans given to the Harvesting & Transport Contractors	12,125.00
In relation to matters mentioned in point no b, c & d 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.	
2 Commitments	
a. Estimated amounts of contracts remaining to be executed on capital account	41.83
3 Value of imports calculated on CIF basis	
Machinery Spares	–
4 Expenditure in foreign currency	
a. Travelling	5.00
5 Earning per share	
a. Profit after tax as per the Profit & Loss Account	1,376.54
b. Weighted average of No. of Shares	1,125.00
c. Earnings per share of Re.1/-	1.22
6 Future Minimum Lease Rentals in respect of Buildings	
a. Given on lease	
i. Receivable within one year	8.92
ii. Receivable between one year and five years	16.68
iii. Receivable after five years	24.36
b. Taken on lease	
i. Payable within one year	23.16
ii. Payable between one year and five years	0.84
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.	

Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2020

(Amount in Rs. Lakhs)

Particulars	Financial Year 2019-20
Note D : Other Information (Contd...)	
7 Value of Imported and Indigenous Raw Material Consumed and percentage thereof to total consumption	
a. Value	
Imported	–
Indigenous	54,370.87
b. Percentage	
Imported	–
Indigenous	100%
8 Value of Raw Material Consumed in Note 22 includes additional cane price relating to earlier season/s	–
9 Segment Reporting	
I. Primary Segment Information (Business Segments)	
Revenue	
External Sales	
Sugar	71,354.76
Electricity	3,157.74
Petrol Pump	3,595.79
Industrial Alcohol	5,079.07
Potable Alcohol	17,913.82
Total	**1,01,101.18**
Other Operating Income	
Sugar	–
Inter-segment Sales	
Sugar	12,678.80
Electricity	8,370.34
Industrial Alcohol	1,950.36
Total	**22,999.50**
Total Revenue	
Sugar	84,033.56
Electricity	11,528.08
Petrol Pump	3,595.79
Industrial Alcohol	7,029.43
Potable Alcohol	17,913.82
Total	**1,24,100.68**

Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2020

(Amount in Rs. Lakhs)

Particulars	Financial Year 2019-20
Note D : Other Information (Contd...)	
Segment Reporting	
II Primary Segment Information(Business Segments)	
Segment Results (Gross)	
Sugar	7425.83
Electricity	1386.64
Petrol Pump	81.64
Industrial Alcohol	430.04
Potable Alcohol	206.52
Total	**9,530.67**
Less: Unallocated Corporate Expenses	4,108.09
Operating Profit	5,422.58
Less:	
Finance Costs	4,313.24
Other Income	(281.20)
Profit from Ordinary Activities	1,390.54
Exceptional Items	–
Profit before tax	1,390.54
9 Segment Reporting	83,091.15
II Primary Segment Information (Business Segments)	
Segment Assets	
Sugar	69,981.84
Electricity	5,304.53
Petrol Pump	80.33
Industrial Alcohol	1,943.90
Potable Alcohol	2,263.18
	79,573.78
Add: Unallocated Corporate Assets	3,517.37
Segment Liabilities	
Sugar	28,659.69
Electricity	173.04
Petrol Pump	2.08
Industrial Alcohol	160.43
Potable Alcohol	472.60
Total	**29,467.84**
Add: Unallocated Corporate Liabilities	47,137.76
	76,605.60
Capital Expenditure	
Sugar	65.21
Electricity	10.41
Industrial Alcohol	6.77
Potable Alcohol	0.25
Unallocated	10.10
	92.74

Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2020

(Amount in Rs. Lakhs)

Particulars	Financial Year 2019-20
Note D : Other Information (Contd...)	
Segment Reporting	
III Primary Segment Information (Business Segments)	
Depreciation and Amortisation	
Sugar	843.01
Electricity	308.93
Petrol Pump	–
Industrial Alcohol	82.66
Potable Alcohol	6.88
Unallocated	133.07
Total	**1,374.55**
Non-cash expenses other than depreciation	
Sugar	–
Electricity	–
Petrol Pump	–
Industrial Alcohol	–
Potable Alcohol	–
Total	**–**

IV The Company does not have any Secondary Reportable Segments.

V Significant Accounting Policies relating to Segment Reporting

a. Business Segments are determined on the basis of the goodsmanufactured 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 for the year ended March 31, 2020 includes revenues aggregating to approximately Rs.31,199.25 Lakhs (March 31, 2019 – Rs.29,329.12 Lakhs) 5 largest customers of the Company.

Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2020

(Amount in Rs. Lakhs)

Particulars	Financial Year 2019-20
Note D : Other Information (Contd...)	
10 Disclosure with respect to IND AS-19	
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:	
a. Gratuity	
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.	
Defined Contribution Plan:	
Contribution to Defined Contribution Plan, recognised and charged off for the year are as under:	
Employer's contribution to Superannuation Fund	35.48
Employer's contribution to Pension Scheme	169.92
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	2748.39
Interest Cost	202.78
Current Service Cost	131.27
Past Service Cost (non vested cost)	
Past Service Cost (vested cost)	–
Benefits Paid	(160.37)
Actuarial (gain) / loss on obligation	192,25
PVO at the end of the period	3114.32
II Interest Expenses	
Interest Cost	202.78

Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2020

(Amount in Rs. Lakhs)

Particulars	Financial Year 2019-20
Note D : Other Information (Contd...)	
III Fair Vale of Plan Assets	
Fair value of Plan Assets at the beginning	1701.46
Interest Income	124.43
IV Net Liability at beginning of period	
PVO at beginning of period	2748.39
Fair Value of the Assets at beginning report	1701.46
Net Liability at the beginning of period	1046.93
V Net Interest	
Interest Expenses	202.78
Interest Income	(124.43)
Net Interest	78.35
VI Actual Return on Plan Assets	119.46
Interest income included above	124.43
Return on plan assets excluding interest income	(496)
VII Actuarial (Gain)/Loss on obligation	
Due to Demographic Assumption	–
Due to Financial Assumption	142,74
Due to Experience	49.50
Total Actuarial (Gain)/Loss	192.24
VIII Fair Value of Plan Assets	
Opening Fair Value of Plan Asset	1701.46
Adjustment to the opening fund	–
Return on Plan Assets excl. interest income	(4.96)
Interest Income	124.42
Contributions by Employer	25.00
Contributions by Employee	
Benefits Paid	(153.56)
Fair Value of Plan Assets at end	1692.36
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	0
Unrecogised Past Service Cost-non vested benefits	

Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2020

(Amount in Rs. Lakhs)

Particulars		Financial Year 2019-20
Note D : Other Information (Contd...)		
X	Amount to be recognised in the Balance Sheet and Profit and Loss Account.	
	PVO at end of period	3114.32
	Fair Value of Plan Assets at end of period	1692.35
	Net Asset/(Liability) recognised in the Balance Sheet	(1421.96)
XI	Expense recognised in the statement of P & L A/c.	
	Current Service Cost	131.26
	Net Interest	78.35
	Past Service Cost-(non vested benefits)	
	Past Service Cost-(vested benefits)	
	Curtailment Effect	
	Settelement Effect	
	Unrecognised Past Service Cost -non vested benefits	
	Expense recognised in the statement of P & L A/c.	209.62
XII	Other Comprehensive Income (OCI)	
	Actuarial (Gain)/Loss recognised for the period	192.24
	Asset limit effect	
	Return on Plan Assets excluding net interest	4.96
	Unrecognised Actuarial (Gain)/Loss from prvious period	
	Total Actuarial (Gain)/Loss recognised in (OCI)	197.20
XIII	Movements in the Liability reccognised in Balance Sheet.	
	Opening Net Liability	(1046.93)
	Adjustment to opening balance	–
	Expenses as above	(209.62)
	Benefits Paid by Company	6.80
	Contribution paid	25.00
	Other Comprehensive Income(OCI)	(197.20)
	Closing Net Liability	(1421.96)
XIV	Schedule III of The Companies Act 2013	
	Current Liability	(1421.96)
XV	Projected Service Cost 31 March 2021	138.30
	Unrecognised Actuarial (Gain)/Loss from prvious period	
	Average remaining future service till vesting of the beneift	
XVI	Asset Information	Total Amount
	Cash and Cash Equivalents	
	Gratuity Fund(LIC of India)	1692.35
	Debt Security(Gvt. Bond)	
	Equity Securities -Corporate debt securities	

Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2020

(Amount in Rs. Lakhs)

Particulars	Financial Year 2019-20
Note D : Other Information (Contd...)	
Other Insurance contracts	
Property	
Total itemized Assets	1692.35
XVII Assumptions as at:	
Mortality	
Interest / Discount Rate	6.90%
Rate of increase in compensation	6.00%
Rate of return (expected) on plan assets	7.60%
Expected average remaining service (In Years)	10.85
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.	
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	27.29
Acquisition Adjustment	
Interest Cost	2.07
Past Service Cost	
Current Service Cost	16.22
Curtailment Cost/(Credit)	
Settlement Cost/(Credit)	
Benefits Paid	
Actuarial (Gain)/Loss on obligations.	125.67
Present value of expected interest rate shortfall as at the end of the period.	171.25
II Changes in Fair Value of plan assets.	
Fair value of plan assets at the beginning of the period.	143.81
Acquisition Adjustment.	
Interest Income	10.93
Contributions	
Amount transferred to cover shortfall	
Amount paid on settlement	
b. Actuarial Gain/(Loss) on plan assets	66.34
Fair value of plan assets at the end of the period.	221.08
III Actuarial Gain/Loss recognised.	
Actuarial (Gain)/Loss for the period-obligation	125.67
Actuarial (Gain)/Loss for the period-plan assets	(66.33)
Total (Gain)/Loss for the period	(59.34)

Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2020

(Amount in Rs. Lakhs)

Particulars	Financial Year 2019-20
Note D : Other Information (Contd...)	
Actuarial (Gain)/Loss recognised in the period.	(59.34)
Unrecognised actuarial Gain/Loss at the of preiod.	
IV The amount to be recognised in the Balance Sheet.	
Present value of expected interest rate shortfall as at the end of the period.	171.26
Fair value of the plan assets at the end of the period.(Surplus Account)	221.08
Surplus/(Deficit)	49.82
Unrecognised actuarial (Gain)/Loss	
Net asset/(liability) recognised in the Balance Sheet.	49.82
V Amount recognised in Statement of Other Comprehensive Income	
Opening amount recognised in OCI outside profit & loss account	(36.82)
Remeasurement for the period -Obligation (Gain)/Loss	125.68
Remeasurement for the period -Plan Assets(Gain)/Loss	(66.34)
Total remeasurement cost/(credit) for the period recognised in OCI	59.34
Closing amount recognised in OCI outside profit & loss account	22.51
VI Expenses recognised in the statement of profit & loss	
Current Service Cost	16.22
Acquisition (Gain)/Loss	
Past service cost	
Net Interest (Income) /Expense	(8.86)
Curtailment (Gain)/Loss	
Settlement (Gain)/Loss	
Net periodic benefit cost recognised in the statement of profit & loss at the end of the period.	7.36
VII Total Expenses recognised in the Statement Of Profit & Loss	
Expenses recognised in the statement of Profit & Loss with with respect to expected interest rate shortfall	7.36
Expense relating to the contributions made by the employer	230.07
Total expense at the end of period.	237.43
VIII Assumptions as at:	
Mortality	
Interest/Discount Rate	6.90%
Interest rate declared by EPFO for the period.	8.50%
Yield Spread	1.50%
Expected average remaining working lives of employees (in years)	16.50

Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2020

(Amount in Rs. Lakhs)

Particulars	Financial Year 2019-20

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

1 Key Management Personnel (KMP)

	Key Management Personnel (KMP)		Designation
I	Shri. Niraj Shishir Shirgaokar	………	Managing Director (MD)
II	Shri. Chandan Sanjeev Shirgaokar	………	Managing Director (MD)
iii	Shri. R. V. Desurkar	………	General Manager Finance
iv	Shri. B. G. Kulkarni	………	General Manager Corp. Affair & CS

2 Relatives of Key Management Personnel

	Name of the transacting related party		Nature of relationship
I	Shri. Shishir Suresh Shirgaokar	………	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	Shri. Sohan Sanjeev Shirgaokar	………	Director & Brother of MD-Shri. Chandan S. Shirgaokar
x	Sou. Gouri Sohan Shirgaokar	………	Wife of Director-Shri. Sohan S. Shirgaokar.
xi	Sanjeev Suresh Shirgaokar-HUF	………	Smt. Radhika S. Shirgaokar is the Mother of MD Shri. Chandan S. Shirgaokar
xii	Gyanshree Enterpreises	………	Smt. Radhika S. Shirgaokar is the Proprietor and Mother of MD Shri. Chandan S. Shirgaokar
xiii	Sou. Bharati Rajan Desurkar	………	Wife of Shri. R.V. Desurkar-General Manager Finance
xiv	Mr. Abhijit Rajan Desurkar	………	Son of Shri. R.V. Desurkar -General Manager Finance
xv	Sou. Renu Kulkarni	………	Wife of Shri. B.G. Kulkarni, General Manager Corp. Affairs and CS.

Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2020

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 Chairman, Shri. P.V. Shirgaokar-Chairman, Shri. Shishir Shirgaokar-Director, Shri. Niraj Shirgaokar-MD, Shri. Chandan Shirgaokar-MD, Shri. Sachin Shirgaokar and Shri. Sohan Shirgaokar are the Directors.
ii	Sangli Fabricators Pvt Ltd	………	MD- Shri. Chandan S. Shirgaokar, Director Shri. Shishir Shirgaokar & Sachin Shirgaokar are Directors
iii	Tara Tiles Pvt Ltd.	………	Chairman Shri. P.V. Shirgaokar, Director Shri. Shishir Shirgaokar & Sachin Shirgaokar are Directors
iv	Ugar Pipe Industries Pvt. Ltd.	………	MD- Shri. Chandan S. Shirgaokar, Chairman Shri. P.V. Shirgaokar and Director Shri. Shishir Shirgaokar are Directors
v	D.M. Shirgaokar Enterprises (LLP) Pvt. Ltd.	………	MD-Shri. Chandan S. Shirgaokar, Director Shri. Shishir S. Shirgaokar, Shri. Sohan Shirgaokar, Radhika Shirgaokar Mother of MD- Shri. Chandan S. Shirgaokar are the Directors.
vi	Shishir Shirgaokar Enterprises (LLP) Pvt. Ltd.	………	Father Shri. Shishir S. Shirgaokar, Mother Mrs. Savita Shishir Shirgaoakr and wife of MD- Niraj S. Shirgaokar Mrs. Asawari N. Shirgaoakr are Directors.
vii	Suresh Shirgaokar Enterprises (LLP) Pvt. Ltd.	………	MD-Shri. Niraj S. Shirgaokar, Directors Shri. Shishir S. Shirgaokar, and Shri. Sohan S. Shirgaokar, Mother of Sohan Shirgaokar Smt. Radhika S. Shirgaokar and Mrs. Geetali C. Shirgaokar wife of MD-Shri. Chandan S. Shirgaokar and Gauri Sohan Shirgaokar wife of Shri. Sohan S. Shirgaokar are the Directors.
viii	Sanjeev Shirgaokar Enterprises (LLP) Pvt. Ltd.	………	MD-Shri.Chandan S. Shirgaokar, Director Shri. Sohan S. Shirgaokar and Mother of both Smt. Radhika S. Shirgaokar are Directors.
ix	Synergy Green Industries Ltd.	………	MD-Shri. Niraj S. Shirgaoakr, MD-Shri. Chandan S. Shirgaokar, Chairman Shri. P.V. Shrigaokar, Director Shri. Shishir S. Shirgaokar, Shri. Sachin R. Shirgaokar and Shri. Sohan S. Shirgaokar, are Brother of Chairman Shri. R.V. Shirgaokar and Dr. M.R. Desai are Directors

Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2020

NOTE D : Other Information (contd...)

11. Disclosure of Related Party Transactions (Contd.)

(Amount in Rs. Lakhs)

Sr. No.	Nature of Transaction	Key Management Personnel	Relatives of KMP	Related Parties referred to in 3 above	Total
		2019-20	2019-20	2019-20	2019-20
1	Remuneration Paid Commission	452.28	—	—	452.28
2	Sitting Fees	—	2.20	—	2.20
3	Purchase of Sugar cane	—	—	—	—
4	Purchase of Plant & Machinery & Spares	—	—	496.26	496.26
5	Sales- Others/ Consultancy	—	—	3.65	3.65
6	Exempt Deposits from Directors	—	28.02	—	28.02
7	Deposits Refunded / Paid	—	28.02	—	28.02
8	Interest Paid	—	2.67	—	2.67
9	Dividend Received	—	—	—	—
10	Dividend Paid	—	—	—	—
11	Redemption of pref. Shares	—	—	—	—
12	Consultancy / Repairs / Other	—	—	—	—
13	Warehousing Charges / Rent Paid	—	44.16	—	44.16
14	Advance in the nature of Reimbursement.	3.86	—	—	3.86
15	Advance Returned / Repaid	—	—	—	—
16	Advance Returned / Repaid	11.86	—	—	11.86
17	Outstanding Balances as on 31.03.2020	—	—	—	—
	Payable Cr	—	0.25	—	0.25
	Receivable Dr	0.24	0.86	45.12	46.52
	Total	**480.58**	**106.19**	**545.03**	**1091.43**

Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2020

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 Group. The disclosures relating to Micro and Small enterprises as at 31-03-2020:

S.No.	Description	31-03-2020 Rs. Lakh
i.	Principal amount remaining unpaid to such suppliers as at the year end.	17.28
ii.	Interest due thereon remaining unpaid to the suppliers as at the year end.	–
iii.	Interest paid by group 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.	0.02
v.	Amount of interest accrued during the year and remaining unpaid at the year end.	0.02
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 Group'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, Group may issue new shares or sell assets to reduce debt. The capital structure of Group consists of debt and total equity of the Group.

The Group 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. Group's policy is aimed at combination of short-term and long-term borrowings. The Group monitors the capital structure on the basis of total debt to equity ratio and maturity profile of the overall debt portfolio of theGroup.

Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2020

NOTE D : Other Information (contd...)

14.2 Categories of financial instruments:

(Amount in Rs. Lakhs)

Particulars	Carrying Amount March 31, 2020	Fair Value March 31, 2020
FINANCIAL ASSETS		
Fair value through Profit and Loss Account (FVTPL) Investments	369.67	369.67
Amortised cost		
Non-Current Assets		
Investments	-	-
Security Deposit	64.07	64.07
Loans and advances	3.50	3.50
Current Assets		
Trade receivable	1,154.79	1,154.79
Cash in hand	16.41	16.41
Balance with banks in current account	981.16	981.16
Balance with banks in deposit account – original maturity upto 12 months	110.27	110.27
Accrued Interest On Bank Deposits	6.83	6.83
FINANCIAL LIABILITIES		
Amortised cost		
Non-Current Liabilities		
Borrowing	4,848.25	4,848.25
Current liabilities		
Short-term Borrowing	36,619.76	36,619.76
Trade Payable	17,229.90	17,229.90
Other Financial Liabilities	10,862.91	10,862.91

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

Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2020

NOTE D : Other Information (contd...)

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 Group has classified its financial instruments into the three levels prescribed under the Ind AS 113 – Fair Value Measurement.

14.4 Financial Risk management framework

The Group is exposed primarily to market risk, credit risk and liquidity risk which may adversely impact the fair value of its financial instruments. Group assesses the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of Group.

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 Group 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 Group have fixed interest rate and therefore the risk of interest rate change is not material to Group.

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. Group maintains its cash and cash equivalents and deposits with banks having good reputation and high quality credit ratings.

In addition, the Group 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 Group 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. Group 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.

Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2020

NOTE D : Other Information (contd...)

Maturity of financial assets and liabilities:

The following tables analyses the Groups' 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 Group 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:

(Amount in Rs. Lakhs)

Particulars	March 31, 2020					
	Less than 3 months	3 to 6 months	6 month to 1 year	Between 1 and 2 year	More than 2 years	Total Mar 2020
Financial Assets						
Non – derivative						
Non-Current Assets						
Investments						
Security Deposit			–	0.40	63.67	64.07
Loans and advances				3.50		3.50
Current Assets						
Trade receivable	1,154.79					1,154.79
Cash in hand	16.41					16.41
Balance with banks in current account	981.16					981.16
Balance with banks in deposit account – original maturity upto 12 months	–	–	–	110.27		110.27
Accrued Interest On Bank Deposits	6.83	–	–	–	–	6.83
Financial Liabilities						
Non-Current Liabilities						
Borrowing				1,675.75	3,172.50	4,848.25
Current liabilities						
Short-term Borrowing	36,619.76					36,619.76
Trade Payable	17,229.90					17,229.90
Other Financial Liabilities	10,862.91					10,862.91

Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2020

NOTE D : Other Information (contd...)

15. Taxes on income

The major components of Income Tax Expense for the year ended March 2020 are:

(i) Statement of Profit or Loss

(Amount in Rs. Lakh.)

Particulars	March 31, 2020
Current Tax	–
Short/(Excess) provision of tax for earlier years	–
Deferred Tax	14.00
Total Income Tax Expense	14.00

(ii) Other Comprehensive Income

(Amount in Rs. Lakhs)

Particulars	March 31, 2020
Deferred Tax relating to Net Gain/(Loss) on re-measurement of defined benefit plans	68.91

Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2020

NOTE D : Other Information (contd...)

(iii) Movement of deferred tax **(Amount in Rs. Lakhs)**

Particulars	31-03-2020			
	Opening Balance	**Recognised in profit and (Loss)**	**Recognised in OCI**	**Closing Balance**
Tax effect of items constituting deferred tax liabilities Property, Plant and Equipment	(1,867.96)	(45.38)		(1,913.34)
Subtotal of Deferred Tax Liabilities	(1,867.96)	(45.38)	–	(1,913.34)
Tax effect of items constituting deferred tax assets				
Provisions	128.01	49.23	–	177.27
Other Items	609.68	(23.68)	68.91	654.91
Subtotal of Deferred Tax Asset	737.69	25.55	68.91	832.18
Net Deferred Tax Asset/(Liabilities)	(1,130.27)	(19.83)	68.91	(1,081.16)

16. The Group formed CSR committee as constituted pursuant to Companies Act 2013. During the year under review, Group has not spent, since last 3 years average Profit/(Loss) is negative.

17. Note related to the impact of COVID-19 in business :

    Estimation uncertainties relating to the COVID-19 pandemic Group has considered the possible effects on the business that may result from COVID-19, a global pandemic -

    Impact on production & Sales – No major impact on production of Sugar as crushing season was over before the commencement of lockdown. The holding company started manufacturing activity of Sanitizer during lockdown as approved by government. The business of the subsidiary company remained unaffected.

    Impact on the carrying amount of receivables & advances - The Group, based on current estimates expects the carrying amount of the above assets will be recovered, net of provisions established.

Signatures to Notes A to D

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 : Pune
Date : 26-06-2020

Niraj S. Shirgaokar
MD (DIN-00254525)

Chandan S. Shirgaokar
MD (DIN-00208200)

R. V. Desurkar
GM Finance
(ACA-23771)

B. G. Kulkarni
GM-Corp. Aff. & Co. Sec.
(FCS-2805)

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
30th September						
1996	18,768.07	1,079.24	1,579.08	22.5%	13,93,790	15,37,975
1997	16,651.47	1,308.91	2,477.41	22.5%	9,47,340	11,05,039
1998	20,254.77	1,476.68	5,351.66	22.5%	11,30,355	13,10,645
1999	22,895.62	1,931.81	6,064.17	25%	13,99,603	15,51,260
2000	26,681.52	2,714.81	6,519.12	30%	14,25,023	17,16,100
2001	25,464.73	4,113.77	5,818.56	35%	11,89,443	14,82,057
2002	23,511.06	3,609.39	8,666.63	10%	12,22,416	14,32,455
2003	24,575.99	3,489.30	7,968.82	Nil	14,67,798	17,24,490
2004	20,287.75	4,201.60	8,043.91	30%	8,37,383	8,76,430
2005	29,822.75	4,815.51	7,402.30	20%	10,46,480	11,63,180
2006	48,197.14	5,402.95	10,664.00	20%	18,76,166	21,87,595
31st March						
2007	30,569.86	5,579.49	16,762.13	Nil	16,68,394	19,40,351
2008	38,257.74	6,513.81	21,241.75	20%	19,49,390	22,11,445
2009	41,556.72	9,246.67	21,581.40	25%	13,19,427	14,68,445
2010	56,651.44	7,243.02	19,615.01	Nil	15,75,618	17,86,430
2011	63,331.97	7,644.60	17,524.51	Nil	17,16,325	19,40,680
2012	66,306.29	9,026.96	15,721.77	25%	19,43,592	22,51,160
2013	72,331.18	10,508.73	17,603.82	20%	15,03,593	15,83,700
2014	65,221.14	7,532.86	15,990.48	Nil	17,24,930	19,56,070
2015	65,553.46	7,170.38	17,146.16	Nil	20,07,570	23,09,560
2016	84,612.92	7,960.15	16,066.94	25%	20,66,671	23,23,030
2017	59,381.80	10,302.83	16,751.73	20%	9,92,467	10,51,815
2018	80,191.41	3,408.38	16,443.14	Nil	21,29,061	24,02,026
2019	91,217.29	3988.27	15,227.05	Nil	19,30,754	22,76,090
2020	1,01,381.75	2,267.58	13,640.96	10%	16,40,957	17,90,939

Notes:

1 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.

2 Accounting year ended on 31-03-2007 comprised of 6 months only.

3 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.

4 Figures relating to FY ended 2005-06, 2006-07 includes figures of Tasgaon and Phaltan and 2008-09, onwards includes figures of Jewargi unit.

Ugar Sugar distributed food kits and sanitizers to the Covid-19 containment zone people at the hands of Chairman P. V Shirgaokar and Mr. Chandan Shirgaokar Managing Director

THE UGAR SUGAR WORKS LTD., SANGLI

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