



81<sup>st</sup>  
**Annual Report**

2020-21

**The Ugar Sugar Works Limited**





**New Distillery Bhumipujan at the hands of Mr. Chandan S. Shirgaokar Managing Director in presence of Mr. R. V. Shirgaokar (Chairman Emeritus), Mr. P. V. Shirgaokar, Mrs. Smita Shirgaokar, Smt. Radhika Shirgaokar, Mrs. Geetali Shirgaokar and Miss. Swara Shirgaokar**







## ADIEU

Shri. P.V. Shirgaokar – M.Sc. Sugar-Tec familiarly as Prafulla saheb to the public – at – large – joined 'The Ugar Sugar Works Ltd, 1969. He was moulded by late Shri VS Shirgaokar (GM Saheb) and Late Shri. S.S. Shirgaokgr (Babuu Kaka) and learnt all the intricacies Of the Sugar Industry from them. After the retirement of Shri R.V. Shirgaokar the mantle Of leadership automatically fell on the experienced shoulders Of P. V. Shirgaokar and he proved himself a worthy successor. A strict disciplinarian and meticulous even about minutiae, he succeeded in bringing forth the best in everybody and to use it effectively.

His immense efforts, great foresight accurate planning, dedication of Shri. P.V. Shirgaokar paved the to success the Sugar Industry at Ugar. He rendered yeoman's service to the Ugar Sugar Ltd., as Managing Director and Executive Vice Chairman & Chairman. Under his guidance The Ugar Sugar Works Ltd., has grown to a gigantic oak and went from strength to strength. His immense interest in agricultural research has helped the R & D department to scale new heights and brought the University of Agricultural Sciences, Dharwad closer to The Sugar Works Ltd., and made R & D personnel work with redoubled vigor. He was the President Of South Indian Sugar Mills Association (SISMA). He was instrumental in establishing Ugar Sahakari Nirawari Sangh Niyamit. One Of the Largest Co-operative lift irrigation scheme in the state of Karnataka. Presently he is the Chairman Of Dr. Shirgaokar Educational Trust, The Ugar Sugar Works Kamgar and Co-op Society. Also being the Chairman of The Ugar Sugar Gymkhana he is actively encouragement of various games and Sports activities for relaxation and for physical fitness of his staff members and workers. It is hoped that Ugar Sugar Works Ltd, adds more feathers to it's cap in the form of expansion of Co.generation of Power', Crushing Capacity, Distillery and IMFL Unit'.



# INAUGURATION OF COVID CENTER AT UGAR



**“ Opening of 30 Bed temporary COVID Center at the hands of Mr. Shrimant Patil Minister of Handloom & Textiles from Commerce and Industries department & Minister of Minority welfare Government of Karnataka in presence of Mr. Chandan S. Shirgaokar Managing Director along with other Government Official at Vihar in association with Government of Karnataka .**







## **WELCOME**

Shri. S. S. Shirgaokar - familiarly known as Shishir Saheb to the public - at - large - started his career journey in The Ugar Sugar Works Ltd., in 1961 grew with the company for last 50 valuable years in various capacities such as Whole Time Director (WTD), Executive Director (ED), Managing Director (MD), Executive Vice Chairman (EVC) and presently Chairman from 2020.

He gained tremendous knowledge and technical details during his service under the guidance of late Shri. S. S. Shirgaokar (Babukaka) and Shri. V. S. Shirgaokar (G M Saheb)

Strict disciplinarian; adroit administrator but very considerate and result oriented and meticulous involvement in banking, new projects execution and inventory control. Under his guidance The Ugar Sugar Works Ltd., went from. strength to strength. He actively involved in Pollution Control and Environmental Awareness programme and strictly followed the new technologies to get the best results. He is a great lover of entrepreneurship and intrapreneurship, education and sports, installing highly sophisticated gymnasium for physical fitness of staff Members and workers. He firmly believed that rain and sunshine are needed to make rainbow. Both joy and sorrow are needed to make life beautiful and colorful. He greatly distinguishes between what is practicable and what is desirable. His unceasing efforts to accomplish results will be shining example that all of us can inspire too



# "CONGRATULATIONS"



**MR. NIRAJ S. SHIRGAOKAR**

President Indian Sugar Mills  
Association (ISMA)



**MR. CHANDAN S. SHIRGAOKAR**

President All India Distillers'  
Association (AIDA)

Congratulations to Both Managing Directors  
for their Achievement in the Above  
Industrial Associations.





**THE UGAR SUGAR WORKS LIMITED**

CIN: L15421PN1939PLC006738

**81<sup>st</sup> ANNUAL REPORT 2020-21**

| <b>Name</b>                   | <b>Designation</b> |
|-------------------------------|--------------------|
| <b>Shri. R. V. Shirgaokar</b> | Chairman Emeritus  |

| <b>BOARD OF DIRECTORS</b><br>(As on 12 <sup>th</sup> August 2021 ) |  |                              |
|--|--|------------------------------|
| <b>Sr. No.</b>   | <b>Name</b>                                    | <b>Designation</b>           |
| 1  | <b>Mr. Shishir S. Shirgaokar</b>               | Chairman                     |
| 2  | <b>Mr. P. V. Shirgaokar</b>                    | Non-Executive Director       |
| 3  | <b>Mr. Rakesh Kapoor</b>                       | Independent Director         |
| 4  | <b>Mr. V. Balasubramanian</b> (I.A.S. Retired) | Independent Director         |
| 5  | <b>Dr. M. R. Desai</b>                         | Independent Director         |
| 6  | <b>Mr. D. B. Shah</b>                          | Independent Director         |
| 7  | <b>Mr. Hari Y. Athawale</b>                    | Independent Director         |
| 8  | <b>Mr. Shripad S. Gangavati</b>                | Independent Director         |
| 9  | <b>Mrs. Suneeta S. Thakur</b>                  | Independent Woman Director   |
| 10   | <b>Mr. Sachin R. Shirgaokar</b>                | Non-Executive Director       |
| 11   | <b>Mrs. Shilpa Kumar</b>                       | Non-Executive Woman Director |
| 12   | <b>Mr. Sohan S. Shirgaokar</b>                 | Non-Executive Director       |
| 13   | <b>Mr. Niraj S. Shirgaokar</b>                 | Managing Director            |
| 14   | <b>Mr. Chandan S. Shirgaokar</b>               | Managing Director            |

**Company Secretary &  
Compliance Officer**

**Mr. Tushar V Deshpande**  
Mahaveernagar, Sangli 416 416  
Phone: 0233-2623716, 2623717  
Fax: 0233-2623617.  
Email: usw.sangli@ugarsugar.com

**Auditors**

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



## CONTENTS

| Sr. No | Particulars                                   | Page No.  |
|--------|---|-----------|
| 1.     | Notice of Annual General Meeting              | 03 - 22   |
| 2.     | Directors' Report with Annexure               | 23 - 52   |
| 3.     | Management Discussion & Analysis              | 52 - 54   |
| 4.     | Corporate Governance Report                   | 55 - 76   |
| 5.     | Auditors' Report with Annexure                | 77 - 89   |
| 6.     | Balance Sheet                                 | 90 - 91   |
| 7.     | Profit and Loss Account                       | 92 - 93   |
| 8.     | Cash Flow Statement                           | 94 - 94   |
| 9.     | Notes to Financial Statements                 | 95 - 155  |
| 10.    | Consolidated Financials                       | 156 - 230 |
| 11.    | Progress of the Company for the last 25 years | 234 - 234 |

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.  
 1<sup>st</sup> 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

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

## ANNUAL GENERAL MEETING

Wednesday, the 22<sup>nd</sup> day of September, 2021 AT 11.00 a.m.  
 through VC/OAVM.



## THE UGAR SUGAR WORKS LIMITED

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

### NOTICE

NOTICE is hereby given that 81<sup>st</sup> Annual General Meeting of THE UGAR SUGAR WORKS LIMITED will be held on Wednesday the 22<sup>nd</sup> day of September 2021 at 11:00 a.m. through Video Conferencing (VC)/OAVM for which purpose the Registered Office of the Company situated at Mahaveer Nagar, Wakhar Bhag Sangli 416416 shall be deemed as the venue for the Meeting and the proceedings of AGM shall be deemed to be made thereat, to transact the following business:

#### Ordinary Business:

1. To receive, consider and adopt
  - a) The audited Balance Sheet as on 31<sup>st</sup> March, 2021 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 31<sup>st</sup> March, 2021, together with the Report of the Auditors thereon.
2. To declare dividend.
3. To appoint a Director in place of Mr. Shishir. S. Shirgaokar (DIN NO-00166189) who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri. Sachin Rajendra Shirgaokar (DIN NO- 00254442) who retires by rotation and being eligible, offers himself for re-appointment.

#### Special Business:

5. **Continuation of directorship of Mr. Shishir. S. Shirgaokar as a non-executive director of the Company, liable to retire by rotation and to consider and if thought fit, to pass the following resolution as a Special Resolution.**

**“RESOLVED THAT**, pursuant to applicable provisions of the Companies Act, 2013 and rules made there under including any statutory modification or re-enactment thereof, and 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. Shishir. S. Shirgaokar (DIN No- 00166189) 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 2024.

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

**6. Reappointment of Mr. Hari Y Athawale (DIN NO-7335718) as an Independent Director of the Company for second term for the period of 3 (three) year and to consider and if thought fit, to pass, with or without modifications, the following resolution as a Special Resolution:**

**“RESOLVED THAT**, pursuant to Sections 149 and 152 read with schedule IV and other applicable provisions if any of the Companies Act, 2013 and rules made there under including any statutory medication(s) or re-enactment thereof, and 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, Mr. Hari Y Athawale (DIN No-7335718) who was appointed as an Independent Directors and who holds office up to this AGM who already attained the age of 75 years and being eligible be and is hereby re-appointed as an independent Director of the Company for second term for the period of 3 (three) year to hold office on the Board of Directors of the company up to AGM to be held in 2024, not liable to retire by rotation.

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

**7. To approve Re-appointment and remuneration of Shri. Niraj S. Shirgaokar (DIN No. 0025425) as Managing Director, with effect from 01-04-2021 for the period of three year i.e. up to 31-03-2024 and to consider and if thought fit, to pass, with or without modifications, the following resolution as a Special Resolution:**

**“RESOLVED THAT**, pursuant to Section 197, Section 198 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V and the applicable Rules thereto and subject to such other provisions, as may be necessary, the consent of the Company be and is hereby accorded to the appointment of Shri. Niraj S. Shirgaokar (DIN No.0025425) , Managing Director, with effect from 01-04-2021 for the period of three year i.e. up to 31-03-2024, with such remuneration and terms and conditions as embodied in draft agreements between the Company and Shri. Niraj S. Shirgaokar, Managing Director, the draft agreement whereof for the purpose of identification is placed before this meeting duly initialled by the Chairman and the agreement is hereby specifically approved with the liberty to the Board of Directors to vary and alter the terms and conditions in the agreement, provided, however, that the remuneration and perquisites payable to Shri. Niraj S. Shirgaokar, Managing Director, shall not exceed the limit specified in Schedule-V.”

**8. To approve Re-appointment and remuneration of Shri. Chandan S. Shirgaokar (DIN No. 00208200) as Managing Director, with effect from 01-04-2021 for the period of three year i.e. up to 31-03-2024 and to consider and if thought fit, to pass, with or without modifications, the following resolution as a Special Resolution:**

**“RESOLVED THAT**, pursuant to Section 197, Section 198 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V and the applicable Rules thereto and subject to such other provisions, as may be necessary, the consent of the Company be and is hereby accorded to the appointment of Shri. Chandan S. Shirgaokar (DIN No. 00208200), Managing Director, with effect from 01-04-2021 for the period of three year i.e. up to 31-03-2024, with such remuneration and terms and conditions as embodied in draft agreements between the Company and Shri. Chandan S. Shirgaokar, Managing Director, the draft agreement whereof for the purpose



of identification is placed before this meeting duly initialled by the Chairman and the agreement is hereby specifically approved with the liberty to the Board of Directors to vary and alter the terms and conditions in the agreement, provided, however, that the remuneration and perquisites payable to Shri Chandan S. Shirgaokar, Managing Director, shall not exceed the limit specified in Schedule-V.”

9. To ratify the remuneration of Cost Auditors for the financial year ending March 31, 2022 and to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution.**

**“RESOLVED THAT,** pursuant to the provisions of section 148 of the Companies Act, 2013 and the relevant Rules, 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 28<sup>th</sup> May, 2021 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 2021-22 be and is hereby ratified.”

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

Date : 12-08-2021

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

**Tushar V Deshpande**  
Company Secretary  
(M. No. A45586)

## NOTES

- i. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its Circular No.02/2021 dated January 13, 2021 read with Circular No. 20 dated May 5, 2020, 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. The deemed venue for the AGM shall be Registered Office of the Company.
- ii. Pursuant to the provisions of the Companies Act, 2013, a Member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the Annual General Meeting and hence the Proxy Form and Attendance Slip are not annexed to the Notice
- iii. Members attending the meeting through VC/OAVM shall be counted for the purposes of reckoning the quorum under Section 103 of the Companies Act, 2013.
- iv. Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy (PDF/JPEG Format) of its Board Resolution or governing body Resolution/Authorization etc., authorizing its representative to attend the Annual General Meeting through VC/OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent through email to the Company at [evoting@ugarsugar.com](mailto:evoting@ugarsugar.com)
- v. During the AGM, Members may access the scanned copy of 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 12<sup>th</sup> September 2021 to 22<sup>nd</sup> September 2021 (both days inclusive) for the purpose of AGM and Dividend.
- vii. Pursuant to the provisions of Section 124 and 125 of the Companies Act, 2013 (corresponding to Section 205A to Section 205C of the Companies Act, 1956), all unclaimed/unpaid monies by way of dividend transferred to the “Unpaid Dividend Account” of the Company as contemplated under Section 124 of the Companies Act, 2013 (corresponding to Section 205A of the Companies Act, 1956) that remains unclaimed/unencashed for a period of 7 (seven) years from the respective date of such transfer has to be transferred by the Company to “The Investor Education and Protection Fund” (IEPF) being the fund established by the Central Government under Section 125 of the Companies Act, 2013 (corresponding to Section 205C(1) of the Companies Act, 1956) and no claims shall lie against the said Fund or the Company in respect thereof.

The Company has transferred all unpaid/unclaimed dividends upto the year 2012-13 to the Investor Education and Protection Fund.



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

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

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

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

- ix. Members can avail of the facility of nomination in respect of shares held by them in physical form pursuant to the provisions of Section 72 of the Companies Act, 2013 (corresponding to Section 109A of the Companies Act, 1956). Members desiring to avail of this facility may send their nomination in the prescribed Form No. SH.13 duly filled in to M/s. Big Share Services Pvt. Ltd at the above mentioned address or the Registered Office of the Company. Members holding shares in electronic form may contact their respective Depository Participants for availing this facility.
- x. SEBI vide its notification dated June 8, 2018 as amended on November 30, 2018, has stipulated that w.e.f April 01, 2019, the transfer of securities (except transmission or transposition of shares) shall not be processed, unless the securities are held in the dematerialized form. The Company has complied with the necessary requirements as applicable, including sending of letters to shareholders holding shares in physical form requesting them to demat their physical holdings.
- xi. The Statement setting out the material facts pursuant to Section 102 (1) of the Companies Act, 2013 (the Act), Special Business Nos.5 to 9 in the Notice and is annexed hereto and forms part of this Notice.
- xii. Permanent Account Number(PAN)

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

- xiii. In case members wish to ask for any information about accounts and operations of the Company, they are requested to send their queries in writing at least 7 days in advance of the date of the meeting at [evoting@ugarsugar.com](mailto:evoting@ugarsugar.com) so that the information can be made available at the time of the meeting.
- xiv. The Notice of the Annual General Meeting along with the Annual Report for the financial year 2020-21 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 2020-21 is also available on the Company’s website [www.ugarsugar.com](http://www.ugarsugar.com); website of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com), [www.nseindia.com](http://www.nseindia.com) Members can attend and participate in the Annual General Meeting through VC/OAVM facility only.
- xv. Those shareholders who have not registered their email address with their depository participant or wish to update a fresh email address may do so by approaching their respective depository participant. Alternatively, by submitting the enclosed E-mail Registration cum- Consent Form to

the Company or the Registrar and Transfer Agent of the Company consenting to send the Annual Report and other documents in electronic form at the said e-mail address.

The Notice along with the Annual Report is also available on the Company’s website, viz., [www.ugarsugar.com](http://www.ugarsugar.com).

**xvi. 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 19<sup>th</sup> day of September, 2021 (9:00 a.m. 1<sup>st</sup>) and ends on 21<sup>st</sup> day of September, 2021 (5:00 p.m. 1<sup>st</sup>). During this period, members’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 10<sup>th</sup> day of September, 2021 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. Remote e-Voting Instructions for shareholders post change in the Login mechanism for Individual shareholders holding securities in demat mode, pursuant to SEBI circular dated December 9, 2020:

Pursuant to SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode can vote through their demat account maintained with Depositories and Depository Participants only post 9<sup>th</sup> June, 2021.

Shareholders are advised to update their mobile number and email Id in their demat accounts to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode/ physical mode is given bType of

| Type of shareholders   | Login Method  |
|--|---|
| Individual Shareholders holding securities in demat mode with NSDL | <ul style="list-style-type: none"> <li>• If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password.</li> <li>• After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for</li> </ul> |



|  |  |
|--|--|
|  | <p>casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <ul style="list-style-type: none"> <li>• If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “Register Online for IDeAS Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>• Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ul>                        |
| <p>Individual Shareholders holding securities in demat mode with CDSL Individual Shareholders (holding securities in demat mode) &amp; login through their depository participants</p> | <ul style="list-style-type: none"> <li>• Existing user of who have opted for Easi/Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi /Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>• After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL, KARVY, LINK NTIME, CDSL. Click on e-Voting service provider name to cast your vote.</li> <li>• If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi./Registration/EasiRegistration">https://web.cdslindia.com/myeasi./Registration/EasiRegistration</a></li> <li>• Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP where the E Voting is in progress.</li> </ul> |
| <p>Individual Shareholders holding securities in Physical mode &amp; evoting service Provider is LINKINTIME.</p>   | <ul style="list-style-type: none"> <li>• You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility.</li> <li>• Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ul>  |

|  |   |
|--|---|
|  | <ol style="list-style-type: none"> <li>1. Open the internet browser and launch the URL:<br/> <a href="https://instavote.linkintime.co.in">https://instavote.linkintime.co.in</a><br/>           Click on <b>“Sign Up”</b> under <b>‘SHARE HOLDER’</b> tab and register with your following details: -           <ol style="list-style-type: none"> <li><b>A. User ID:</b> Shareholders/ members holding shares in physical form shall provide Event No + Folio Number registered with the Company.</li> <li><b>B. PAN:</b> Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.</li> <li><b>C. DOB/DOI:</b> Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)</li> <li><b>D. Bank Account Number:</b> Enter your Bank Account Number (last four digits), as recorded with your DP/Company.</li> </ol> </li> <li>• Shareholders/ members holding shares in <b>physical form</b> but have not recorded ‘C’ and ‘D’, shall provide their Folio number in ‘D’ above<br/>           Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&amp;*), at least one numeral, at least one alphabet and at least one capital letter).<br/>           Click “confirm” (Your password is now generated).</li> <li>2. Click on ‘Login’ under <b>‘SHARE HOLDER’</b> tab.</li> <li>3. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on <b>‘Submit’</b>.</li> <li>4. After successful login, you will be able to see the notification for e-voting. Select <b>‘View’</b> icon.</li> <li>5. E-voting page will appear.</li> <li>6. Refer the Resolution description and cast your vote by selecting your desired option <b>‘Favour/Against’</b> (If you wish to view the entire Resolution details, click on the <b>‘View Resolution’</b> file link).</li> <li>7. After selecting the desired option i.e. Favour / Against, click on <b>‘Submit’</b>. 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.</li> </ol> |
|--|---|

#### **Institutional shareholders:**

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIPL at <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.

#### **Individual Shareholders holding securities in Physical mode & evoting service Provider is LINKINTIME, have forgotten the password:**

- o Click on ‘Login’ under **‘SHARE HOLDER’** tab and further Click **‘forgot password?’**
- o Enter User ID, select **Mode** and Enter Image Verification (CAPTCHA) Code and Click on **‘Submit’**.



- In case shareholders/ members is having valid email address, Password will be sent to his / her registered e-mail address.
- Shareholders/ members can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above.
- 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.

**Individual Shareholders holding securities in demat mode with NSDL/ CDSL have forgotten the password:**

- \* Shareholders/ members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/depository participants website.
- \* It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- \* For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- \* During the voting period, shareholders/members can login any number of time till they have voted on the resolution(s) for a particular “Event”.

**Helpdesk for Individual Shareholders holding securities in demat mode:**

In case shareholders/members holding securities in demat mode have any technical issues related to login through Depository i.e. NSDL/ CDSL, they may contact the respective helpdesk given below:

| Login type   | Helpdesk Details   |
|--|--|
| Individual Shareholders holding securities in demat mode with NSDL | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30             |
| Individual Shareholders holding securities in demat mode with CDSL | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 or 22-23058542-43. |

**Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders& evoting service Provider is LINKINTIME.**

In case shareholders/ members holding securities in physical mode/ Institutional shareholders have any queries regarding e-voting, they may refer the Frequently Asked Questions (‘FAQs’) and InstaVote e-Voting manual available at <https://instavote.linkintime.co.in>, under Help section or send an email to [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in) or contact on: - Tel: 022 -4918 6000.

**Process and manner for attending the Annual General Meeting through InstaMeet:**

1. Open the internet browser and launch the URL: <https://instameet.linkintime.co.in>

Select the “Company” and ‘Event Date’ and register with your following details: -

- A. Demat Account No. or Folio No: Enter your 16 digit Demat Account No. or Folio No
  - Shareholders/ members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID
  - Shareholders/ members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID
  - Shareholders/ members holding shares in physical form shall provide Folio Number registered with the Company
- B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/  
Company shall use the sequence number provided to you, if applicable.
- C. Mobile No.: Enter your mobile number.
- D. Email ID: Enter your email id, as recorded with your DP/Company.

Click “Go to Meeting” (You are now registered for InstaMeet and your attendance is marked for the meeting).

Please refer the instructions (annexure) for the software requirements and kindly ensure to install the same on the device which would be used to attend the meeting. Please read the instructions carefully and participate in the meeting. You may also call upon the InstaMeet Support Desk for any support on the dedicated number provided to you in the instruction/ InstaMEET website.

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

1. Shareholders who would like to speak during the meeting must register their request 3 days in advance with the company on the specific email id created for the general meeting.
2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the client.
3. Shareholders will receive “speaking serial number” once they mark attendance for the meeting.
4. Other shareholder may ask questions to the panellist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.

Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

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

Once the electronic voting is activated by the scrutinizer/ moderator 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 your 16 digit 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.

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.

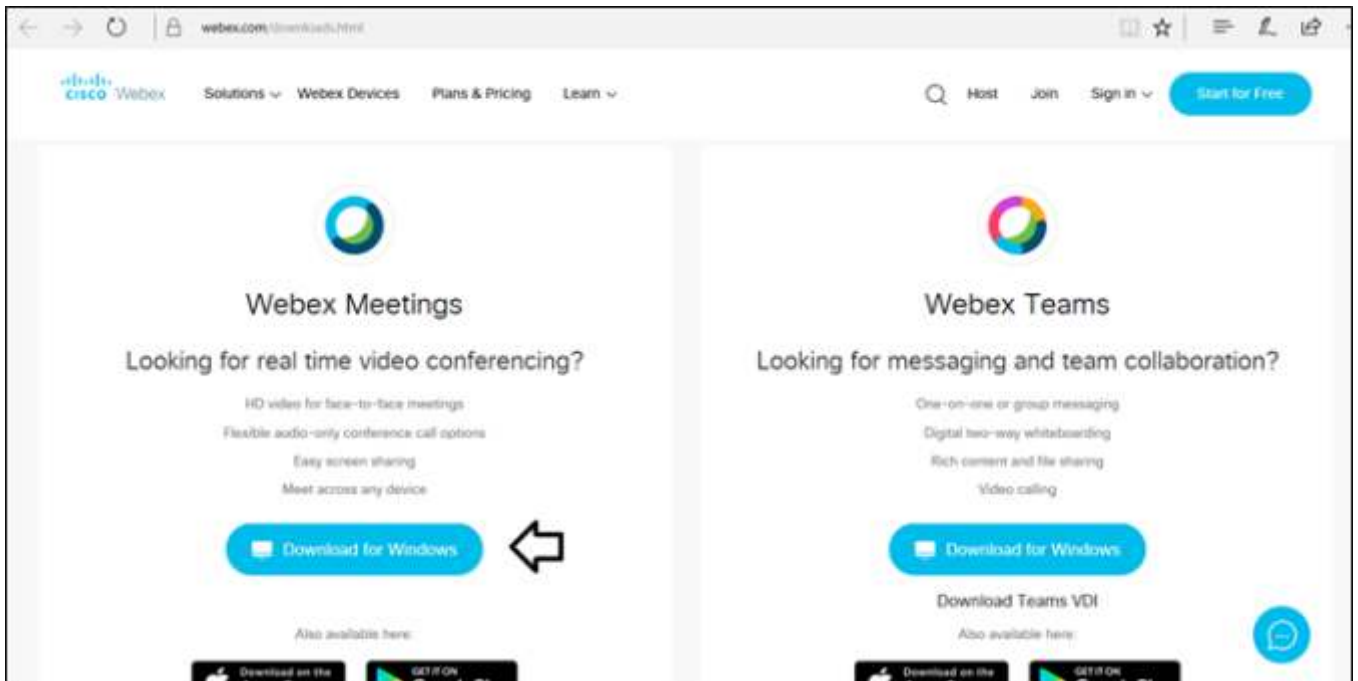
In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to [instameet@linkintime.co.in](mailto:instameet@linkintime.co.in) or contact on: - Tel: 022-49186175.

## **Annexure**

### **Guidelines to attend the AGM proceedings of Link Intime India Pvt. Ltd.: InstaMEET**

For a smooth experience of viewing the AGM proceedings of Link Intime India Pvt. Ltd. InstaMEET, shareholders/ members who are registered as speakers for the event are requested to download and install the Webex application in advance by following the instructions as under:

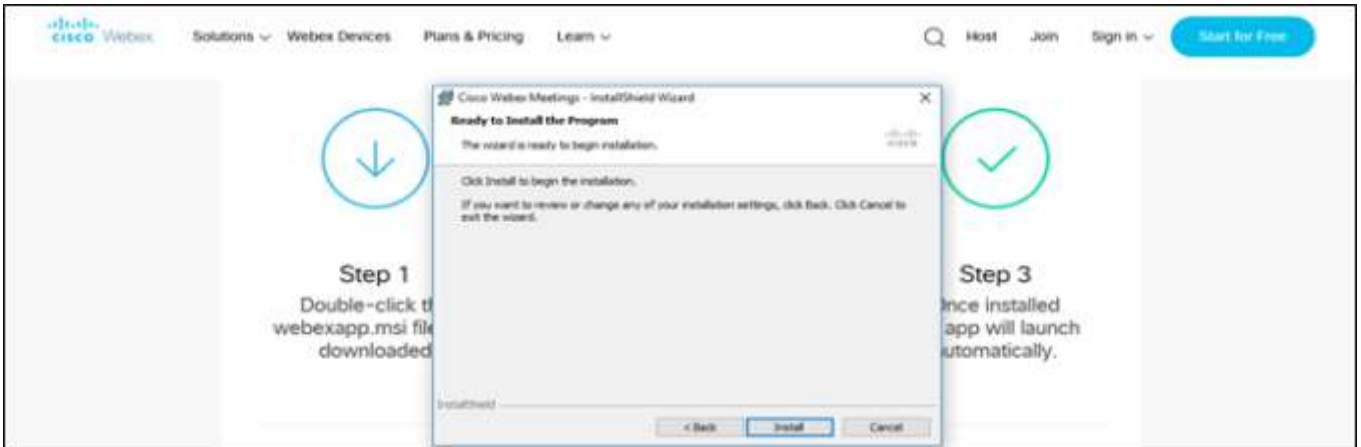
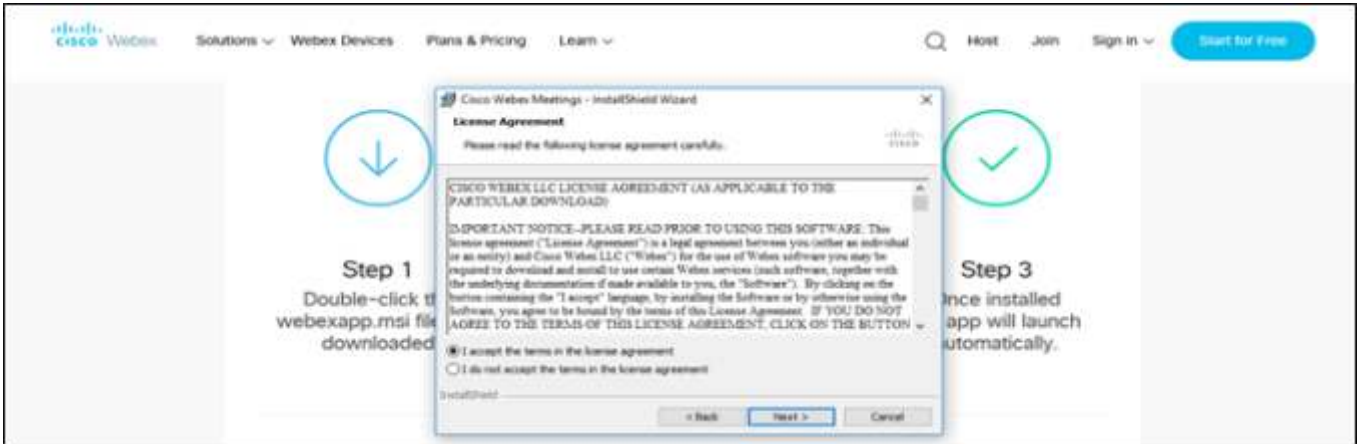
- a) Please download and install the Webex application by clicking on the link <https://www.webex.com/downloads.html/>



**Step 1 Enter your First Name, Last Name and Email ID and click on Join Now.**

- 1 (A) If you have already installed the Webex application on your device, join the meeting by clicking on Join Now
- 1 (B) If Webex application is not installed, a new page will appear giving you an option to either Add Webex to chrome or Run a temporary application.

Click on Run a temporary application, an exe file will be downloaded. Click on this exe file to run the application and join the meeting by clicking on Join Now



or

- b) If you do not want to download and install the Webex application, you may join the meeting by following the process mentioned as under:





## **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 12<sup>th</sup> Aug 2021 and should be taken as forming part of it.

Further As per Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations') as amended vide SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, with effect from 1<sup>st</sup> April, 2019, no listed Company shall appoint or continue the Directorship of a Non-Executive Director who has attained the age of 75 years, unless a special resolution is passed to that effect and justification thereof is indicated in the explanatory statement annexed to the Notice for such appointment.

#### **Item No.5:**

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

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

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

In the opinion of the Board of Directors of the Company, his services be continued considering his seniority, role played by Mr. Shishir. S. Shirgaokar towards the growth of this Company and to reap the benefits of his rich and varied experience, approval of shareholders is sought for continuation of Mr. Shishir. S. Shirgaokar as a Non-Executive Director, from 01<sup>st</sup> April 2021 liable to retire by rotation as set out at Resolution No.3 & 5 of the Notice.

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

#### **Item No. 6 :**

Mr. Hari Y. Athawale (DIN NO-7335718) was appointed as Non-Executive Independent Director of the Company by the member in the AGM held on 6<sup>th</sup> Nov 2015 for the period of Five year, be and hereby re-appointed as Non-Executive Independent Director of the Company under Section 149 and 152 of the Companies Act, 2013 read with Schedule IV attached thereto and Rules made there under and since he has attained the age of 75 years, pursuant to Regulation 17 of SEBI (Listing obligations and disclosure requirements) Regulations, 2015 and by the members in this AGM to be held on 22<sup>nd</sup> September, 2021 for a period of three years to hold office up to AGM to be held in 2024, not liable to retire by rotation.

Mr. Hari Y. Athawale (DIN NO-7335718) is Master in Science (Major- Statistics) from Pune University (1962) and Diploma in Systems Analysis from New York University, New York (1985). He has over 22 years of the Banking experience in State Bank of India, the largest commercial bank in India, having worked in Senior Executive Positions covering various responsibilities. He has also worked with State Bank of India, New York Office, Bank of New Zealand, New York, ICICI Ltd which later became ICICI Bank Ltd. He holds 48240 equity shares in the Company as on 31.03.2021.

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

In items of Section 164 of the Act, Mr. Hari Y. Athawale is not disqualified from being appointed as a Director and has given his consent to act as a Director. Further as per Section 149(6) of the Act and Regulation 16 (1) (b) of the Listing Regulations, Mr. Hari Y. Athawale submitted a declaration to the Company that he meets the criteria of Independence. His directorship & committee membership in other companies is given below.

| Sr. no | Directorship in other Companies | Audit Committee | Shareholder's/Investor Grievances Committee |
|--------|---------------------------------|-----------------|---|
|--------|---------------------------------|-----------------|---|

Nature of his expertise in specific functional areas;

- 1) Corporate Financing
- 2) Fund Raising
- 3) Project Appraisal
- 4) Finance Policies & framework

Disclosure of relationships between directors –

None of the Directors or their relatives is in any way deemed to be concerned or interested, financially or otherwise in the proposed resolution.6.

The Directors recommend the resolution for members' approval as a Special Resolution.

**Item No. 7 & 8:**

The present arrangements with the Managing Directors were valid up to 31<sup>st</sup> March, 2021. As per the recommendations of the Nomination & Remuneration Committee, the Board of Directors in their meeting held on 10<sup>th</sup> February, 2021 has decided to Re-Appoint Shri. Niraj Shishir Shirgaokar and Shri. Chandan Sanjeev Shirgaokar as Managing Directors, w.e.f. 1<sup>st</sup> April, 2021 for a further period of 3 years subject to the approval of the members in the General Meeting. After the approval of the general body, necessary agreements will be executed.

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

Pursuant to Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the details of the Managing Directors, seeking re-appointment are as under:

|                                 |   |  |
|---------------------------------|---|--|
| Name                            | Shri. Niraj S. Shirgaokar   | Shri. Chandan S. Shirgaokar  |
| Designation                     | Managing Director   | Managing Director  |
| Date of Birth                   | 25-05-1972  | 20-10-1977   |
| Original Date of Appointment    | 01-04-2011  | 01-04-2011   |
| No. of Shares held              | 2,44,214  | 6,43,015   |
| Qualification                   | B.E. (Com. Engg.)   | MCM  |
| Experience                      | 24 Years  | 20 Years   |
| Directorship in other Companies | <ol style="list-style-type: none"> <li>1. Giving for Good Foundation</li> <li>2. Indian Sugar Exim Corporation Ltd</li> <li>3. Intellectual Realty Services LLP</li> <li>4. Ireasearch Services Pvt. Ltd.</li> <li>5. S B Reshellers Pvt. Ltd</li> <li>6. Shishir Shirgaokar Enterprises LLP</li> <li>7. Suresh Shirgaokar Enterprises LLP</li> </ol> | <ol style="list-style-type: none"> <li>1. D M Shirgaokar Enterprises LLP</li> <li>2. S B Reshellers Pvt. Ltd</li> <li>3. S S Shirgaokar Enterprises LLP</li> <li>4. Synergy Green Industries Ltd</li> <li>5. Ugar Pipe Industries Pvt. Ltd</li> <li>6. USW Spirits Pvt. Ltd</li> </ol> |

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

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

**A] Salary:**

Shri. Niraj Shishir Shirgaokar  
Basic Salary Rs 3,50,000/- (Rupees Three Lakh Fifty Thousand Only) per month

Shri. Chandan Sanjeev Shirgaokar  
Basic Salary Rs 8,00,000/-  
(Rupees Eight Lakh Only) per month.  
Work allowance Rs 1.50 Lakh per month

**B] Incentive based on the EBT:**

Six percent (6%) of EBT.

**C] Allowance:**

- The Managing Director's will also be eligible for a Special Allowance of 50% of their basic salary.

**Variable Allowances:**

- The Managing Director's will also be eligible for a Bonus & Leave Encashment as per the company's policy.

**D] Perquisites:**

**Part A :**

- a. Fully furnished/unfurnished residential accommodation. Where no accommodation is provided by the Company, suitable House Rent Allowance in lieu thereof may be provided.



The expenses on furnishings, gas, electricity, water and other utilities and repairs if any, shall be borne by the Company.

- b. Reimbursement of all medical expenses incurred for self and family.
- c. Leave Travel Assistance for self and family as per Company rules.
- d. Fees of clubs which will include admission and life membership fees.
- e. Personal accident insurance, premium whereof does not exceed Rs.50, 000/- per annum.
- f. Provision of service staff at residence.
- g. Car with driver for official and personal purpose.
- h. Telephone including mobile and fax facilities at residence.
  - i. Contribution to Provident Fund, Superannuation Fund or Annuity Fund.
- j. Gratuity at the rate not exceeding 30 days salary for each completed year of service, and
- k. Leave at the rate of one month for every eleven months of service. Leave not availed of may be encashed. "Family" for the above purpose means the spouse, dependent children and dependent parents of the Managing Director.

Perquisites shall be valued as per the provisions of the Income Tax Rules or as may be provided as per schedule V.

**Explanation:**

1. Wherever context demands family means the spouse, dependent children and dependent parents of the M.D.

**Part B :**

- a) Minimum Remuneration: In case of absence or inadequacy of profits (including the case of loss) for any year, the Company shall pay to the Managing Directors the minimum remuneration as mentioned in part A] Salary and the allowance and perquisites and in case of profit incentives of 6% of EBT not exceeding as per provisions of schedule V and any amendments thereof.
- b) The net profit of the Company shall be determined as provided for in section 198 and any other provision/s of The Companies Act, 2013, applicable thereto.
- c) The termination of services for the purpose of reappointment will not be treated as discontinuation of services for the purposes of gratuity and other benefits accruing to them. Their services will be treated as continuous services for the purpose of Gratuity and other benefits.
- d) The agreement may be terminated by either party giving three months' notice or the Company or by paying three months' salary in lieu thereof.
- e) If at any time the Managing Directors cease to be a Director of the Company for any cause whatsoever, they shall cease to hold their respective positions, as the case may be.

Statement as required under Section 2, Part II of the Schedule V of the Companies Act, 2013 with reference to the Special Resolution at Item Nos. 2 and 3 of the Notice:

**I. General Information:**

1. Nature of Industry: Manufacture of sugar integrated with cogeneration of power and distillery operations & IMFL.

2. Date or expected date of commencement of commercial production: Existing Company in operation since 1939.
3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not Applicable
4. Financial performance based on given indicators:

(Rs. In Lakhs)

| Sr. No | Particulars                  | 2019-2020 | 2018- 2019 | 2017-2018 |
|--------|------------------------------|-----------|------------|-----------|
| 1      | Turnover                     | 101101.18 | 90292.69   | 79850.15  |
| 2      | Profit/(Loss) before tax     | 1390.50   | 547.38     | (6633.01) |
| 3      | Net Profit/ (Loss) after tax | 1376.65   | 434.54     | (6819.09) |
| 4      | Paid-up share capital        | 1125.00   | 1125.00    | 1125.00   |
| 5      | Reserves & Surplus           | 5347.53   | 3988.25    | 3408.38   |

5. Export performance and net foreign exchange collaborations: NA
6. Foreign investments or collaborators, if any : NA

| <b>II. Information about</b> | <b>Mr. Niraj Shirgaokar<br/>Managing Director</b>   | <b>Mr. Chandan Shirgaokar<br/>Managing Director</b>  |
|------------------------------|---|--|
| 1. Background details        | <p>Mr. Niraj Shirgaokar has a Bachelor’s Degree in Computer Engineering from the Bombay University. He has 24 years of experience in professional companies, after which he joined the family business.</p> <p>He has worked for Siemens Information Systems (SISL), Bombay in the sales function, selling SAP &amp; mySAP.com to customers in India.</p> <p>After Siemens, Mr. Shirgaokar was associated with Patni Computer Systems Limited (now IGATE Patni). He worked at their San Francisco, California office, selling outsourcing jobs to customers in the United States. He joined the Ugar Sugar Works Limited in 2005. He has guided the organization in its IT transformation from a single email company to an high tech SAP</p> | <p>Mr. Chandan Shirgaokar having completed bachelor’s degree in Science, pursued master’s degree in Computer Management, has well over 20 years of experience in the field of management.</p> <p>After post-graduation, in order to acquire experience in various fields of management, took up an assignment with a renowned software company - M/s Business Integration Systems India Ltd., Pune</p> <p>In the year 2004 after joining The Ugar Sugar Works Ltd., accepted the first assignment of establishing IMFL section as a “Cost Centre” and converted the unit into a “Profit Centre”. He is the key person in the launch of “Sandpiper” Brandy. In 2011 he became Jt. Managing Director. Presently he is working as “Managing Director” and bearing responsibility of overall</p> |

|  | enabled organization.. In 2011 he became Jt. Managing Director. Presently he is working as “Managing Director” and bearing responsibility of overall administration and management.  | administration and management.   |                         |         |         |           |         |           |        |   |                |                         |         |         |           |        |           |        |
|--|--|--|-------------------------|---------|---------|-----------|---------|-----------|--------|---|----------------|-------------------------|---------|---------|-----------|--------|-----------|--------|
| 2. Past Remuneration   | <table border="1"> <thead> <tr> <th>Financial Year</th> <th>Amount<br/>(In Rs. Lakh)</th> </tr> </thead> <tbody> <tr> <td>2019-20</td> <td>125.96*</td> </tr> <tr> <td>2018-2019</td> <td>102.65*</td> </tr> <tr> <td>2017-2018</td> <td>87.01*</td> </tr> </tbody> </table> <p>* excluding the retirement benefits and Commission</p>   | Financial Year   | Amount<br>(In Rs. Lakh) | 2019-20 | 125.96* | 2018-2019 | 102.65* | 2017-2018 | 87.01* | <table border="1"> <thead> <tr> <th>Financial Year</th> <th>Amount<br/>(In Rs. Lakh)</th> </tr> </thead> <tbody> <tr> <td>2019-20</td> <td>225.23*</td> </tr> <tr> <td>2018-2019</td> <td>82.60*</td> </tr> <tr> <td>2017-2018</td> <td>70.06*</td> </tr> </tbody> </table> <p>* excluding the retirement benefits and Commission</p> | Financial Year | Amount<br>(In Rs. Lakh) | 2019-20 | 225.23* | 2018-2019 | 82.60* | 2017-2018 | 70.06* |
| Financial Year   | Amount<br>(In Rs. Lakh)  |  |                         |         |         |           |         |           |        |   |                |                         |         |         |           |        |           |        |
| 2019-20  | 125.96*  |  |                         |         |         |           |         |           |        |   |                |                         |         |         |           |        |           |        |
| 2018-2019  | 102.65*  |  |                         |         |         |           |         |           |        |   |                |                         |         |         |           |        |           |        |
| 2017-2018  | 87.01*   |  |                         |         |         |           |         |           |        |   |                |                         |         |         |           |        |           |        |
| Financial Year   | Amount<br>(In Rs. Lakh)  |  |                         |         |         |           |         |           |        |   |                |                         |         |         |           |        |           |        |
| 2019-20  | 225.23*  |  |                         |         |         |           |         |           |        |   |                |                         |         |         |           |        |           |        |
| 2018-2019  | 82.60*   |  |                         |         |         |           |         |           |        |   |                |                         |         |         |           |        |           |        |
| 2017-2018  | 70.06*   |  |                         |         |         |           |         |           |        |   |                |                         |         |         |           |        |           |        |
| 3. Job profile and his suitability   | Mr. Niraj Shirgaokar, Managing Director has been entrusted with substantial powers of the management of business and affairs of Jewargi Unit of the Company. He has over 24 years of overall experience in professional companies along with Sugar, Co-generation, section of the Company and its associate companies. The Company has been substantially benefitted by his vision, professional knowledge and managerial expertise. | Mr. Chandan Shirgaokar, Managing Director has been entrusted with substantial powers of the management of business and affairs of Ugar Unit of the Company. He has over 20 years of experience in Sugar, Co-generation, distillery and IML section of the Company and its associate companies. The Company has been substantially benefitted by his vision, professional knowledge and managerial expertise. |                         |         |         |           |         |           |        |   |                |                         |         |         |           |        |           |        |
| 4. Remuneration Proposed   | As stated in the explanatory statement to Special Resolution at Item No.7 of the Notice  | As stated in the explanatory statement to Special Resolution at Item No.8 of the Notice.   |                         |         |         |           |         |           |        |   |                |                         |         |         |           |        |           |        |
| 5. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin): | Remuneration of Mr. Niraj Shirgaokar is in tune with his peers and is commensurate with his qualification, experience, and the size of the Company and diverse nature of its businesses.   | Remuneration of Mr. Chandan Shirgaokar is in tune with his peers and is commensurate with his qualification, experience, and the size of the Company and diverse nature of its businesses and responsibilities.  |                         |         |         |           |         |           |        |   |                |                         |         |         |           |        |           |        |
| 6. Pecuniary relationship directly or indirectly with the company, or  | Mr. Niraj Shirgaokar is a Promoter-Director, holding 244214 equity shares of Re.1/- each representing about 0.22% of the total paid-up capital of the Company. He is son   | Mr. Chandan Shirgaokar is a Promoter- Director, holding 643015 equity shares of Re.1/- each representing about 0.57% of the total paid-up capital of the   |                         |         |         |           |         |           |        |   |                |                         |         |         |           |        |           |        |



|   |   |  |
|---|---|--|
| relationship with the managerial personnel, if any: | of Mr. Shishir Shirgaokar (Chairman & Non Executive Director) (Shareholding as on 31 <sup>st</sup> March, 2021) | Company. He is brother of Mr. Sohan Shirgaokar (Non Executive Director). (Shareholding as on 31 <sup>st</sup> March, 2021) |
|---|---|--|

III. Other information: Nil

IV. Disclosures:

1. Remuneration package of the managerial person: Fully described in the respective explanatory statement as stated above.
2. None of the directors except Mr. Shishir S. Shirgaokar, Mr. Sohan S. Shirgaokar are deemed to be interested in resolution No. 7 & 8 respectively.

**Item No. 9:**

- Approval / ratification of Remuneration to Cost Auditor:

The Audit Committee & the Board of Directors in their meeting held on 28<sup>th</sup> May 2021, have approved the appointment of Cost Auditor Mr. Vikas V. Deodhar, for the Financial Year 2020-21 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 ratification of the remuneration is proposed for your approval.

**Memorandum of Interest:**

None of the Directors are deemed to be interested in the resolution No. 9

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,**

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

**Mr. Tushar V Deshpande**  
Company Secretary  
(A45586)

Date : 12-08-2021

## DIRECTORS' REPORT

### DEAR SHAREHOLDERS,

Your Directors have pleasure in presenting their 81<sup>st</sup> Annual Report together with the Audited Financial Statements for the period ended 31<sup>st</sup> March, 2021.

### GENERAL:

All India Production of Sugar for the Season 2020-21 is expected to reach 309 Lakh tones, as compared to the previous year's production of 274 Lakh tones. The Government of India in order to control the falling sugar prices has continued 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.33/- per kg .

Our total crushing of sugar cane for the company including both units for the season 2020-21 was 22.87 Lakh MT and the total bagging was 26.40 Lakh quintals of sugar.

### FINANCIAL RESULTS:

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

| Particulars  | 31.03.2021<br>Rs. in Lakhs | 31.03.2020<br>Rs. in Lakhs |
|--|----------------------------|----------------------------|
| Total Revenue  | 1,12,383.00                | 1,01,382.38                |
| Total Expenditure (excluding Depreciation & Amortization)  | 1,09,280.25                | 98617.29                   |
| Profit before Depreciation & Amortization  | 3,102.75                   | 2765.91                    |
| Depreciation & Amortization  | 1,242.62                   | 1374.55                    |
| Profit Before Tax / (Loss) & Exceptional items   | 1,860.13                   | 1390.54                    |
| Provision for Tax, (including deferred tax adjustment, short provision for tax) / MAT Credit entitlement           | 155.07                     | 14.00                      |
| Profit after Tax / Net Profit / (Loss)   | 1,705.06                   | 1376.54                    |
| Other Comprehensive Income   | (29.28)                    | (126.86)                   |
| Total Comprehensive Income for the period (Comprising Profit (Loss) and other Comprehensive Income for the period) | 1,675.78                   | 1249.69                    |
| Earnings Per Share (EPS)   | 1.52                       | 1.22                       |

During this year Company has achieved recovery of 11.56% at Ugar and 10.72% at Jewargi. With better price realization the Company has shown a net profit of Rs. 1,705.06 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 2020-21.**

**DIVIDEND:** Your Directors are pleased to recommend a dividend @20% (Rs. 0.20 per share) for the Current Financial Year 2020-21.

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

| <b>Particulars</b>                   | <b>Sugar Season<br/>2020-21</b> | <i>Sugar Season<br/>2019-20</i> |
|--------------------------------------|---------------------------------|---------------------------------|
| Date of beginning of crushing season | 25-10-2020                      | 14-11-2019                      |
| Date of ending of crushing season    | 10-03-2021                      | 08-03-2020                      |
| Number of Working Days               | 137                             | 115                             |
| Sugar Cane Crushed (Lakh MT)         | 19.47                           | 14.02                           |
| Recovery                             | 11.56%                          | 10.76%                          |
| Sugar Produced (Lakh Qtls.)          | 22.64                           | 15.21                           |

**SUGAR AT JEWARGI :**

| <b>Particulars</b>                   | <b>Sugar Season<br/>2020-21</b> | <i>Sugar Season<br/>2019-20</i> |
|--------------------------------------|---------------------------------|---------------------------------|
| Date of beginning of crushing season | 13-11-2020                      | 17-11-2019                      |
| Date of ending of crushing season    | 09-03-2021                      | 08-03-2020                      |
| Number of Working Days               | 117                             | 112                             |
| Sugar Cane Crushed (Lakh MT)         | 3.40                            | 2.38                            |
| Recovery                             | 10.72%                          | 9.80%                           |
| Sugar Produced (Lakh Qtls.)          | 3.76                            | 2.33                            |

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

| <b>Particulars</b>                  | <b>Unit</b> | <b>Financial Year<br/>2020-21</b> | <i>Financial Year<br/>2019-20</i> |
|-------------------------------------|-------------|-----------------------------------|-----------------------------------|
| Rectified Spirit Produced (Lakh BL) | Ugar        | 142.00                            | 130.05                            |
| Denatured Spirit Produced (Lakh BL) | Ugar        | 68.25                             | 61.19                             |
| Potable Alcohol Produced (Lakh BL)  | Ugar        | 58.87                             | 57.81                             |
| Electricity Generated (Lakh KW)     | Ugar        | 1395.63                           | 1042.95                           |
| Electricity Exported (Lakh KW)      | Ugar        | 742.07                            | 552.27                            |
| Electricity Generated (Lakh KW)     | Jewargi     | 308.59                            | 230.42                            |
| Electricity Exported (Lakh KW)      | Jewargi     | 186.17                            | 139.79                            |

Your Directors expect to procure about 22 to 25 Lakh MT sugarcane at Ugar and Jewargi Units during 2021-22 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 equipment's 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) Depositor, who has not claimed his deposit after maturity as on 31<sup>st</sup> March, 2021 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, the 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.79 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. Shishir. S. Shirgaokar, age 76 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.
- Shri. Sachin Rajendra Shirgaokar, age 55 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.
- Re-appointment of Independent Director for second term:
- Shri. Hari Y. Athawale, aged 82, will be re-appointed for 2<sup>nd</sup> term for a period of 3 years.
- 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 link [www.ugarsugar.com](http://www.ugarsugar.com) [http://web.ugarsugar.com/Investor\\_Relations/Corporate\\_Announcements.asp?child=3&parent=7](http://web.ugarsugar.com/Investor_Relations/Corporate_Announcements.asp?child=3&parent=7)

**Changes in Key Managerial Personal :**

Shri. R. V. Desurkar (CFO) & Shri. B.G. Kulkarni (CS) as retired from the services w.e.f. 18-01-2021 Shri. S.V. Bhat (CFO) & Shri. Tushar V. Deshapande (CS) have been appointed w.e.f. 10-02-2021.

**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 Committee and Nomination & Remuneration Committee.

- **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](http://web.ugarsugar.com/Investor_Relations/Corporate_Announcements.asp?child=3&parent=7)

- **Meetings:**

During the year, Five 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, 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 BSE Ltd. (formerly 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 Listing Fees for the Financial Year 2021-22. As required by SEBI Guidelines, a Corporate Governance Report, including the Auditor's Certificate on Corporate Governance is annexed.

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

During this year electricity generated was 1704.22 Lakh KW of which we have exported 928.24 Lakh KW through, HESCOM, BESCOM, CESCO, MESCOM and GESCOM by consuming 5.30 Lakh MT of Bagasse.

**DISTILLERY:**

The production of Rectified Spirit was 142.00 Lakh BL, as compared to 130.05 Lakh BL during the previous year. During the year under review, we have supplied 33.01 Lakh BL ethanol to the Oil Companies.

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

The Company has manufactured 6.68 Lakh cases at Ugar during this year as against 6.69 Lakh cases during the previous year. Company has continued bottling of its products at M/s. Polson 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 9,42,30,866. Equity shares have been dematerialized by the shareholders, i.e. 83.76% of total shareholding as on 31<sup>st</sup> March, 2021. The annual fees of depositories for the FY 2021-22 have been paid by the Company.

**CONSERVATION OF ENERGY**

A detail of conservation of energy is annexed as "**Annexure I**". And technology absorption, foreign exchange earnings and outgo pursuant to Section 134 (3)(m) of the Companies Act, 2013 read with the Rule 8(3) of the Companies (Accounts) Rules, 2014 is annexed as "**Annexure II**". 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. 30<sup>th</sup> 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. The accounts have been consolidated with our company. Form AOC I is annexed.

**USW SPIRITS PVT. LTD**

- USW Spirits Pvt. Ltd has been incorporated on 17<sup>th</sup> Feb, 2021. The Company holds 50% of Share capital in USW Spirits Pvt. Ltd. The USW Spirits Pvt. Ltd is yet to commence its business. It is a non-material Subsidiary Company. The Allotment of shares of the company is not completed till 31<sup>st</sup> March 21.

**QUALIFYING REMARKS IN AUDITORS' REPORT:**

There are no qualifying remarks in the Statutory Auditors Report.

**AUDITORS:**

**Statutory Auditors**

The Company's Auditors, M/s. Kirtane & Pandit LLP, Chartered Accountants, having FRN-105215W /W100057 were appointed in 77<sup>th</sup> 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 2021-22. 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 2021-22 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 F10668) to undertake the Secretarial Audit of the Company who has consented to the same. The Secretarial Audit Report is annexed herewith as **“Annexure III”**. The observations made in the report and our reply to the observation is self explanatory. The observation & reply given by the company forms part of his report.

#### **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”**.

**Particulars required as per Section 134 of the Companies Act, 2013**

As per Section 134 of the Companies Act, 2013 (the 'Act'), your Company has provided the Consolidated financial statements as on March 31, 2021. Your Directors believe that the consolidated financial statements present a more comprehensive picture as compared to standalone financial statements. These documents are available for inspection during the business hours at the Registered Office of your Company and the respective subsidiary companies. A statement showing financial highlights of the subsidiary companies is enclosed to the consolidated financial statements. The Annual Report of your Company does not contain full financial statements of the subsidiary companies, however, your Company will make available the audited annual accounts and related information of the subsidiary companies in soft copy in line with the Ministry of Corporate Affairs (MCA) Circular dated May 5, 2020 and its extensions from time to time upon request by any Member of your Company. Form AOC-1 is annexed to this report.

**Consolidated financial statements**

Consolidated financial statements of your Company and its subsidiaries as at March 31, 2021 are prepared in accordance with the Indian Accounting Standard (Ind AS) 110 on 'Consolidated Financial Statements' notified by the MCA and forms part of this Annual Report

**Secretarial Standards**

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

**SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERNS STATUS AND COMPANY'S OPERATION IN 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 forms, part of this report as "**Annexure VI**" is available on our website at [www.ugarsugar.com](http://www.ugarsugar.com)

**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

behaviour, 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](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 is placed on the Company's website [www.ugarsugar.com](http://www.ugarsugar.com).

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

There is no change in 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 31/03/2021 on BSE is 1339 and on NSE is 1144. 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, 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 and Electricity Supply Companies (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,**

Place : Sangli  
Date : 28-05-2021

Regd. Office: Mahaveer Nagar,  
Sangli – 416416.

**Shishir S. Shirgaokar**  
Chairman  
(DIN No. 0066189)

## 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 31<sup>st</sup> March, 2021.

### 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 31<sup>st</sup> March, 2021.

| S.N. | DESCRIPTION             | LOCATION                               | Qty x Rating      | KW        |
|------|-------------------------|--|-------------------|-----------|
| 1    | 25 KVAR CAPACITOR BANKS | Factory In house<br>Various MCC Panels | 25 KVAR X 10 Nos. | 250 KVArr |

## ANNEXURE II : TECHNOLOGY ABSORPTION

As on 31<sup>st</sup> March 2021

### FORM - B

Our R and D Centre is doing the testing of various varieties of sugarcane and other crops developed by Breedar as of the different Agricultural research centers with respect to yield, recovery and other parameters

**COC 671-** This variety was very good yielding high sucrose accumulating variety dominated from 1991 to 1995 but due to some drawbacks its percentage in total crushing is reduced. We are trying to replace this variety with suitable variety.

**Co. 9004** - (Aulruta ) (COC- 671 x COT- 8201) Which is high yielding high sucrose salinity tolerant variety released by SBI Coimbatore is being distributed to the farmers along with that CO- 11015 ( COC 671 X CO 86011) which is a high yielding variety with high sucrose content is multiplied on large scale and ready for distribution to farmers this years.

**COS6032** - it belongs to early mid group released in 2000 but still occupying more than 50% in the total crushing because of some drawbacks needed to be replaced by suitable variety.

Alternate variety COSnk -9268. VSI- 8005 already distributed.

**CO 18024** - (CO 86032 x CO 5001) was brought from SBI Coimbatore sufficiently multiplied and ready for distribution this year.

COM 0265 Released by CSRS Padegaon in 2007 which is a late sugarcane maturing variety is popular amongst the farmers because of its salinity tolerant and high yielding nature. It has some drawbacks like rust, eye bud sprouting GSD in ratton, needed to be replaced by suitable variety CoSnk 09293, MS 10001 distribution of seed material of above varieties is already going on. We are optimistic that in coming years following varieties will be replaced by

- Coc. 671 by Co9004, Co 11015
- Co 86032 by CoSnk 09268, VSI 8005, Co 18024



- CoM 0265 by CoSnk 09293, MS10001

For maintaining the soil health crop rotation is necessary keeping this into mind trials are going on the crop like soybean, wheat, Barley Bengal gram

This year DSb - 030 - A 04 Seeded Soyabean variety (other varieties have two or three seeds in one pod) rust resistant is being introduced in our area.

DWR 0162 a wonder Wheat variety which was identified on our research farm which is now also popular in Indonesia as Devata because of its high yield and rust resistance. Now UAS 334 which is high yielding rust resistant non loading variety is being identified and distribution of seed material is going on.

Distribution of chemical fertilizers to farmers on credit basis is going on since last 04 years and farming community is benefited because of this.

University of Agri. sciences Dharwad, Bangalore, Sugarcane Breeding Institute Coimbatore, S Nijalingappa Institute Belgavi, Central Sugarcane Research Station Padegaon, VSI ( Vasant Dada Sugar Institute ) Pune Continuously supplying us new varieties for breeding and new techniques for development.

#### **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:**

During the year ended on 31<sup>st</sup> March 2021, the Foreign Exchange Earnings & Outgo of the Company is NIL.

## ANNEXURE III - FORM NO. MR-3

### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> March, 2021

**[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 verification of physical (printout of scan copies) and soft copies of the records which were made available to us on email. We have not visited the premises located at Ugar khurd, Jewargi (Malli) because of the Inter-State and Inter-District ban as well as Sangli location due to lockdown since 15<sup>th</sup> April, 2021 due to COVID-19 and to check the compliance status. Hence, in view of pandemic situation due to 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 31<sup>st</sup> March, 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company during the financial year from 1<sup>st</sup> April, 2020 to 31<sup>st</sup> March, 2021 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 as amended upto 2015;
  - c. The Securities and Exchange Board of India (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:
- a) Secretarial Standards issued by The Institute of Company Secretaries of India from time to time.
  - b) The uniform Listing Agreements entered into by the Company with BSE Limited & National Stock Exchange of India Limited, the Stock Exchange(s).
- (vii) I am informed that, during the year, Company was not required to comply with the following laws / regulations / agreements / guidelines and consequently not required to maintain any books, papers, records or file any forms, returns under:
- a. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - b. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - c. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - d. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
  - e. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
  - f. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

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

I further report that,

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

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

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

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

I further report that, during the audit period, there are no specific event / action having a major bearing on the Companies affairs.

Place : Miraj  
Date : 28-05-2021

**Abhay R. Gulavani**  
Practicing Company Secretary  
FCS: 10668; CP: 10741  
**F010668C000389013**

## **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 28<sup>th</sup> May, 2021 for the financial year ended on 31<sup>st</sup> March, 2021, is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on the secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices followed provide a reasonable basis for my opinion.



3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company as it is a part of financial audit. Further we have relied on the report of the auditors in-relation to various calculations as required under the Companies Act 2013 including Managerial Remuneration, CSR Provisions, etc.
4. I have obtained the Management's representation about the compliance of laws, rules and regulations and happening of events, wherever required. Details of the directorships in other companies, their status, disclosures made by the Directors, have been taken from MCA Director Master data, Form MBP-1 and declarations from Independent Directors.
5. Compliance with the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My examination was limited to the verification of procedures on test basis.
6. This Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
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 current year's report.

**Abhay R. Gulavani**  
Practicing Company Secretary

Place : Miraj  
Date : 28-05-2021

FCS: 10668; CP: 10741

## Annexure – B

| Sr.No. | Observation   | Management Response  |
|--------|---|--|
| 1      | Pursuant to Regulation 44 of SEBI (LODR) Regulation 2015, company is required to furnish the details of its voting results in the prescribed format within 48 hours of conclusion of its General Meeting. However Company has not submitted the voting results of AGM in XBRL mode within the time and there was a delay of 1 hour in submission. Letter received from NSE. | Company has submitted the Voting Results on Stock exchange portal within time in all other modes except there was a delay of 1 hour in submitting the results in XBRL mode.<br><br>Company has submitted a letter to NSE on 01-10-2020, informing that, the late submission was purely due to technical issues with the system due to distant access to the system due to COVID-19 restrictions, scanning issues, as the staff was working from their own places as they could not come to office. |
| 2      | Pursuant to Regulation 34 of the SEBI (LODR) Regulations, 2015, listed entities are required to submit certain details and certificates in its Annual Report. However, Company has not provided the details in its Annual Report for 31-03-2020. Letter received from NSE.  | Company has submitted a letter to NSE along with the details as required in its letter Dated 15-12-2020 vide NSE/LIST/17093 along with the Certificate as per Regulation 34 and the same was also displayed on Company website.  |

**ANNEXURE IV**  
**TO THE DIRECTORS REPORT**  
**ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES**  
**2020-21**

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

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

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

**1. 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:

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

| Sl.No. | Particulars   | (Rs. in Lakhs) |
|--------|---|----------------|
| 3      | Average net profit/ loss of the Company for last three financial years  | (1578.66)      |
| 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.<br>a. The Company has spent as CSR Activities during the financial year<br>b. Amount unspent, if any; | -<br>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 the Company.

**Dr. M. R. Desai**  
Chairman CSR Committee (DIN - 01625500)  
The Ugar Sugar Works Ltd

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

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

**New CSR reporting as per Companies (CSR Policy) Amendment Rules 2021 dt. 22-01-2021 is annexed to the Annual Report.**

**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 2020-21**

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   | <b>Body Corporate</b><br>1. S. B. Reshellers Pvt Ltd.<br>2. Gyanshree Enterprises<br>3. Sanjeev Suresh Shirgaokar (HUF)<br>4. Synergy Green Ind Ltd<br>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                                    | 01-04-2020 to 31-03-2021  |
| (d) | Salient terms of the contracts or arrangements or transactions including the value, if any | Related party transactions are finalized based on following procedure :<br>a) Comparison of Quotations received from similar parties in market<br>b) Earlier performance of the party, quality of supply & services.<br>c) Recommendations by Technical Team<br>All the transactions are done at fair market value and at arm's length basis.<br>Party names & Values of Transaction. Rs. in Lakhs.<br>1. S. B. Reshellers Pvt. Ltd. 384.65<br>2. Gyanshree Enterprises 13.20<br>3. Sanjeev Suresh Shirgaokar (HUF) 30.96<br>4. Synergy Green Ind. Ltd. Nil<br>5. Ugar Pipe Ind. Pvt. Ltd. 9.76 |
| (e) | Date(s) of approval by the Board   | (Omnibus Approval for all Related Party Transaction has been obtained in Audit Committee Meeting held on 26/06/2020.  |
| (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, 2014)  
Statement containing salient features of the financial statement of subsidiaries  
or associate companies or Joint ventures as on 31<sup>st</sup> March 2021

**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   | 156.23                        |
| 07    | Total assets   | 184.36                        |
| 08    | Total Liabilities  | 184.36                        |
| 09    | Investment   | -                             |
| 10    | Turnover   | 3.84                          |
| 11    | Profit before Taxation   | 0.05                          |
| 12    | Provision for taxation   | 0.24                          |
| 13    | Profit after Taxation  | (1.84)                        |
| 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, 2013 related to Associate Companies and Joint Ventures - NA

**Niraj S. Shirgaokar**  
MD (DIN-00254525)

**Chandan S. Shirgaokar**  
MD (DIN-00208200)

Regd. Office : Mahaveer Nagar,  
Sangli - 416416.

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

**Tushar V. Deshpande**  
Company Secretary (ACS - 45586)

Date : 28-05-2021



## Annexure VI EXTRACT OF ANNUAL RETURN

As on the financial year ended 31.03.2021

[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,<br>Maharashtra, 416416<br>+91 233 2623717, usw.sangli@ugarsugar.com.  |
| vi) Whether listed Company   | Yes Listed on BSE & NSE (530363 & UGARSUGAR)  |
| vii) Name, Address and Contact details of Registrar and Transfer Agent, if any | BIGSHARE SERVICES PVT. LTD.<br>(Unit : The Ugar Sugar Works Ltd.,)<br>1 <sup>st</sup> Floor, Bharat Tin Works Building,<br>Opp. Vasant Oasis, Makwana Road<br>Marol, Andheri East Mumbai-400059<br>Maharashtra<br>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                             | 62.04%                             |
| 2      | Potable Alcohol                                  | 2200                             | 17.69%                             |

### 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 | Subsidiary                     | 100              | Sec 2(6)           |
| 2.     | USW Spirits Pvt. Ltd*           | U15400PN2021PTC198654 | Subsidiary                     | 50               | Sec 2(6)           |

\* The subscription of shares of the company is pending till 31<sup>st</sup> March 2021.

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity) as on 31<sup>st</sup> March, 2021.**

## 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 |                          |
| <b>A. Promoters</b>                                       |   |             |                 |                   |   |             |                 |                   |                          |
| (1) Indian  |   |             |                 |                   |   |             |                 |                   |                          |
| a) Individual/HUF   | 13170471  | 0           | 13170471        | 11.71             | 13174671                                  | 0           | 13174671        | 11.71             | 0                        |
| 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.   | 37705315  | 0           | 37705315        | 33.52             | 37705315                                  | 0           | 37705315        | 33.52             | 0                        |
| e) Banks / FI   | 0   | 0           | 0               | 0                 | 0   | 0           | 0               | 0                 | 0                        |
| f) Any Other....  | 0   | 0           | 0               | 0                 | 0   | 0           | 0               | 0                 | 0                        |
| <b>Sub-total (A) (1):-</b>                                | <b>50875786</b>                                 | <b>0</b>    | <b>50875786</b> | <b>45.23</b>      | <b>50879986</b>                           | <b>0</b>    | <b>50879986</b> | <b>45.23</b>      | <b>0</b>                 |
| (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                        |
| <b>Sub-total (A) (2):-</b>                                | <b>0</b>  | <b>0</b>    | <b>0</b>        | <b>0</b>          | <b>0</b>                                  | <b>0</b>    | <b>0</b>        | <b>0</b>          | <b>0</b>                 |
| <b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b> | 50875786  | 0           | 50875786        | 45.23             | 50879986                                  | 0           | 50879986        | 45.23             | 0                        |
| <b>B. Public Shareholding</b>                             |   |             |                 |                   |   |             |                 |                   |                          |
| 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   | 37111   | 2880        | 39991           | 0.04              | 0   | 2880        | 0               | 0                 | (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                        |
| <b>Sub-total (B)(1):-</b>                                 | <b>37111</b>                                    | <b>2880</b> | <b>39991</b>    | <b>0.04</b>       | <b>0</b>                                  | <b>2880</b> | <b>0</b>        | <b>0</b>          | <b>-0.04</b>             |
| 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   |                 |                 |                  |              |                 |                 |                  |              |             |
| i) Individual shareholders holding nominal share capital upto Rs. 2 lakh         | 35295288        | 18320174        | 53615462         | 48.04        | 34962980        | 18228286        | 53191266         | 47.29        | (0.77)      |
| ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh | 983188          | 0               | 983188           | 0.87         | 1294724         |                 | 1294724          | 1.15         | 0.28        |
| c) Others (specify)  |                 |                 |                  |              |                 |                 |                  |              |             |
| 1) IEPF  | 302531          | -               | 302531           | 0.27         | 302531          | -               | 302531           | 0.27         | 0           |
| 2) Body Corporate  | 3700758         | 37968           | 3738726          | 3.32         | 4008077         | 37968           | 4046045          | 3.6          | 0.28        |
| 3) Clearing Member   | 327828          | -               | 327828           | 0.29         | 311590          | -               | 311590           | 0.28         | (0.01)      |
| 4) NRI --  | 626488          | -               | 626488           | 0.56         | 888970          | -               | 888970           | 0.79         | 0.23        |
| 5) HUF   | 1538406         | -               | 1538406          | 1.37         | 1572008         | -               | 1572008          | 1.4          | 0.03        |
| 6) Trust --  | 10000           | -               | 10000            | 0.01         | 10000           | -               | 10000            | 0.01         | 0           |
| <b>Sub-total (B)(3):-</b>  | <b>43226081</b> | <b>18358142</b> | <b>61584223</b>  | <b>54.73</b> | <b>43350880</b> | <b>18266254</b> | <b>61617134</b>  | <b>54.78</b> | <b>0.05</b> |
| Total Public Shareholding (B)=(B)(1)+(B)(2)+(B)(3)                               | 43263192        | 18361022        | 61624214         | 54.77        | 43350880        | 18266254        | 61617134         | 54.78        | 0.01        |
| C. Shares held by Custodian for GDRs & ADRs                                      | -               | -               | -                | -            | -               | -               | -                | -            | -           |
| <b>Grand Total (A+B+C)</b>   | <b>94138978</b> | <b>18361022</b> | <b>112500000</b> | <b>100</b>   | <b>94230866</b> | <b>18269134</b> | <b>112500000</b> | <b>100</b>   | <b>0</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      | Aniket J. Shirgaokar         | 15700                                     | 0.01                             | 0  | 15700                                | 0.01                             | 0  | 0.00                                      |
| 2      | Anuja J. Shirgaokar          | 34200                                     | 0.03                             | 0  | 35200                                | 0.03                             | 0  | 0.00                                      |
| 3      | Arjun Niraj Shirgaokar       | 172052                                    | 0.15                             | 0  | 172052                               | 0.15                             | 0  | 0.00                                      |
| 4      | Asawari Niraj Shirgaokar     | 473140                                    | 0.42                             | 0  | 473140                               | 0.42                             | 0  | 0.00                                      |
| 5      | Avinash V. Shirgaokar        | 139840                                    | 0.12                             | 0  | 140840                               | 0.13                             | 0  | 0.01                                      |
| 6      | Babasaheb N. Kalyani         | 1583880                                   | 1.41                             | 0  | 1583880                              | 1.41                             | 0  | 0.00                                      |
| 7      | Chandan S. Shirgaokar        | 643015                                    | 0.57                             | 0  | 643015                               | 0.57                             | 0  | 0.00                                      |
| 8      | D.M. Shirgaokar Inv Pvt Ltd. | 2165988                                   | 1.93                             | 0  | 2165988                              | 1.93                             | 0  | 0.00                                      |
| 9      | Harshada A. Shirgaokar       | 500                                       | 0                                | 0  | 1500                                 | 0.00                             | 0  | 0.00                                      |
| 10     | Jeevan V. Shirgaokar         | 84311                                     | 0.07                             | 0  | 85311                                | 0.08                             | 0  | 0.01                                      |

|    |                                      |                 |              |          |                 |              |          |             |
|----|--------------------------------------|-----------------|--------------|----------|-----------------|--------------|----------|-------------|
| 11 | Kunda K. Shirgaokar                  | 636463          | 0.57         | 0        | 636463          | 0.57         | 0        | 0.00        |
| 12 | Laxmi S. Shirgaokar                  | 395659          | 0.35         | 0        | 395659          | 0.35         | 0        | 0.00        |
| 13 | Madhavi Dalvi                        | 281000          | 0.25         | 0        | 281000          | 0.25         | 0        | 0.00        |
| 14 | Niraj S. Shirgaokar                  | 244214          | 0.22         | 0        | 244214          | 0.22         | 0        | 0.00        |
| 15 | Prabhakar Shirgaokar<br>Inv Pvt Ltd. | 3351721         | 2.98         | 0        | 3351721         | 2.98         | 0        | 0.00        |
| 16 | Prafulla Shirgaokar<br>Inv Pvt Ltd.  | 1834436         | 1.63         | 0        | 1834436         | 1.63         | 0        | 0.00        |
| 17 | Prafulla V. Shirgaokar               | 823929          | 0.73         | 0        | 823929          | 0.73         | 0        | 0.00        |
| 18 | Puja H. Pusalkar                     | 8000            | 0.01         | 0        | 8000            | 0.01         | 0        | 0.00        |
| 19 | Radhika S. Shirgaokar                | 2037978         | 1.81         | 0        | 2037978         | 1.81         | 0        | 0.00        |
| 20 | Rajeev V. Dalvi                      | 319111          | 0.28         | 0        | 319111          | 0.28         | 0        | 0.00        |
| 21 | Rajendra V. Shirgaokar               | 132882          | 0.12         | 0        | 133082          | 0.12         | 0        | 0.00        |
| 22 | Rekha R. Khedekar                    | 17264           | 0.02         | 0        | 17264           | 0.02         | 0        | 0.00        |
| 23 | Rishabh Sanat Shirgaokar             | 34639           | 0.03         | 0        | 34639           | 0.03         | 0        | 0.00        |
| 24 | S. B. Reshellers Pvt Ltd.            | 19703915        | 17.51        | 0        | 19703915        | 17.51        | 0        | 0.00        |
| 25 | Sachin R. Shirgaokar                 | 1500133         | 1.33         | 0        | 1500133         | 1.33         | 0        | 0.00        |
| 26 | Sandhya Ashok Kumar<br>Gupta         | 188393          | 0.17         | 0        | 188393          | 0.17         | 0        | 0.00        |
| 27 | Sangli Fabricators Pvt Ltd.          | 12608           | 0.01         | 0        | 12608           | 0.01         | 0        | 0.00        |
| 28 | Sanjiv Shirgaokar<br>Inv Pvt Ltd.    | 1753550         | 1.56         | 0        | 1753550         | 1.56         | 0        | 0.00        |
| 29 | Savita S. Shirgaokar                 | 109972          | 0.1          | 0        | 109972          | 0.10         | 0        | 0.00        |
| 30 | Shilpa N. Kumar                      | 152600          | 0.14         | 0        | 152600          | 0.14         | 0        | 0.00        |
| 31 | Shishir S. Shirgaokar                | 394255          | 0.35         | 0        | 394255          | 0.35         | 0        | 0.00        |
| 32 | Shishir Shirgaokar<br>Inv Pvt Ltd.   | 2025762         | 1.8          | 0        | 2025762         | 1.80         | 0        | 0.00        |
| 33 | Shradha D. Shirgaokar                | 215394          | 0.19         | 0        | 215394          | 0.19         | 0        | 0.00        |
| 34 | Sindhu V. Dalvi                      | 103020          | 0.09         | 0        | 103020          | 0.09         | 0        | 0.00        |
| 35 | Smita P. Shirgaokar                  | 270000          | 0.24         | 0        | 270000          | 0.24         | 0        | 0.00        |
| 36 | Sohan S. Shirgaokar                  | 145032          | 0.13         | 0        | 145032          | 0.13         | 0        | 0.00        |
| 37 | Sukhada A. Shirgaokar                | 17449           | 0.01         | 0        | 17449           | 0.01         | 0        | 0.00        |
| 38 | Sumit R. Khedekar                    | 12000           | 0.01         | 0        | 12000           | 0.01         | 0        | 0.00        |
| 39 | Sunita B. Kalyani                    | 1514800         | 1.35         | 0        | 1514800         | 1.35         | 0        | 0.00        |
| 40 | Suresh Shirgaokar<br>Inv Pvt Ltd.    | 1467020         | 1.3          | 0        | 1467020         | 1.30         | 0        | 0.00        |
| 41 | Tara Tiles Pvt Ltd.                  | 1011200         | 0.9          | 0        | 1011200         | 0.90         | 0        | 0.00        |
| 42 | Tarini S. Shirgaokar                 | 1648467         | 1.47         | 0        | 1648467         | 1.47         | 0        | 0.00        |
| 43 | Vinayak Shirgaokar<br>Inv Pvt Ltd.   | 3200294         | 2.85         | 0        | 3200294         | 2.85         | 0        | 0.00        |
|    | <b>TOTAL</b>                         | <b>50875786</b> | <b>45.23</b> | <b>0</b> | <b>50879986</b> | <b>45.23</b> | <b>0</b> | <b>0.00</b> |



**(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/) | 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      | Anuja J. Shirgaokar    | 34200                                     | 0.03                             | 1000                                    | -                                | Market Purchase  | 35200                                | 0.03                             |
| 2      | Avinash V. Shirgaokar  | 139840                                    | 0.12                             | 1000                                    | 0.01                             |  | 140840                               | 0.13                             |
| 3      | Harshada A. Shirgaokar | 500                                       | 0                                | 1000                                    | -                                |  | 1500                                 | 0.00                             |
| 4      | Jeevan V. Shirgaokar   | 84311                                     | 0.07                             | 1000                                    | 0.01                             |  | 85311                                | 0.08                             |

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

| Sl No. | Name                              | Shareholding  |                               | Date        | Increase / Decrease in Shareholders | Reasons | Cumulative Shareholding during the year |                               |
|--------|-----------------------------------|---|-------------------------------|-------------|-------------------------------------|---------|---|-------------------------------|
|        |                                   | No. of Shares At the Beginning (31/03/2020)/ end of the year (31/03/2021) | % total Shares of the Company |             |                                     |         | No of Shares                            | % total Shares of the Company |
| 1      | FAMOUS DEVELOPERS PRIVATE LIMITED | 1980000   | 1.76                          | 31-Mar-2020 | 0                                   |         | 1980000                                 | 1.76                          |
|        |                                   |   | 1.83                          | 27-Nov-2020 | 75081                               | Buy     | 2055081                                 | 1.83                          |
|        |                                   |   | 1.83                          | 04-Dec-2020 | 1919                                | Buy     | 2057000                                 | 1.83                          |
|        |                                   |   | 1.88                          | 31-Dec-2020 | 60000                               | Buy     | 2117000                                 | 1.88                          |
|        |                                   |   | 1.92                          | 08-Jan-2021 | 40000                               | Buy     | 2157000                                 | 1.92                          |
|        |                                   | 2157000   | 1.92                          | 31-Mar-2021 | 0                                   |         | 2157000                                 | 1.92                          |
| 2      | UNIVERSAL CINE TRADES             | 794000  | 0.71                          | 31-Mar-2020 | 0                                   |         | 794000                                  | 0.71                          |
|        |                                   |   | 1.06                          | 24-Apr-2020 | 400000                              | Buy     | 1194000                                 | 1.06                          |
|        |                                   |   | 1.09                          | 01-May-2020 | 35000                               | Buy     | 1229000                                 | 1.09                          |
|        |                                   |   | 1.00                          | 14-Aug-2020 | (100000)                            | Sell    | 1129000                                 | 1.00                          |
|        |                                   |   | 0.88                          | 28-Aug-2020 | (135000)                            | Sell    | 994000                                  | 0.88                          |
|        |                                   |   | 0.98                          | 27-Nov-2020 | 105000                              | Buy     | 1099000                                 | 0.98                          |
|        |                                   |   | 1.12                          | 18-Dec-2020 | 160000                              | Buy     | 1259000                                 | 1.12                          |
|        |                                   |   | 1.16                          | 25-Dec-2020 | 45000                               | Buy     | 1304000                                 | 1.16                          |
|        |                                   | 1304000   | 1.16                          | 31-Mar-2021 | 0                                   |         | 1304000                                 | 1.16                          |
| 3      | HITESH RAMJI JAVERI               | 450000  | 0.40                          | 31-Mar-2020 | 0                                   |         | 450000                                  | 0.40                          |
|        |                                   | 0   | 0.40                          | 31-Mar-2021 | 0                                   |         | 450000                                  | 0.40                          |

|   |   |        |      |             |          |      |        |      |
|---|---|--------|------|-------------|----------|------|--------|------|
| 4 | VARDHMAN JAICHAND OSWAL                     | 10000  | 0.01 | 31-Mar-2020 | 0        |      | 10000  | 0.01 |
|   |   |        | 0.01 | 14-Aug-2020 | 1000     | Buy  | 11000  | 0.01 |
|   |   |        | 0.31 | 28-Aug-2020 | 340532   | Buy  | 351532 | 0.31 |
|   |   |        | 0.31 | 25-Sep-2020 | 500      | Buy  | 352032 | 0.31 |
|   |   |        | 0.33 | 19-Mar-2021 | 21626    | Buy  | 373658 | 0.33 |
|   |   |        | 0.33 | 26-Mar-2021 | 2000     | Buy  | 375658 | 0.33 |
|   |   | 375658 | 0.33 | 31-Mar-2021 | 0        |      | 375658 | 0.33 |
| 5 | MOTILAL OSWAL FINANCIAL SERVICES LTD-CLIENT | 376929 | 0.34 | 31-Mar-2020 | 0        |      | 376929 | 0.34 |
|   |   |        | 0.33 | 03-Apr-2020 | (7875)   | Sell | 369054 | 0.33 |
|   |   |        | 0.33 | 10-Apr-2020 | 666      | Buy  | 369720 | 0.33 |
|   |   |        | 0.33 | 17-Apr-2020 | 3634     | Buy  | 373354 | 0.33 |
|   |   |        | 0.33 | 24-Apr-2020 | 5        | Buy  | 373359 | 0.33 |
|   |   |        | 0.32 | 01-May-2020 | (9382)   | Sell | 363977 | 0.32 |
|   |   |        | 0.32 | 08-May-2020 | (8451)   | Sell | 355526 | 0.32 |
|   |   |        | 0.32 | 15-May-2020 | (702)    | Sell | 354824 | 0.32 |
|   |   |        | 0.32 | 22-May-2020 | 284      | Buy  | 355108 | 0.32 |
|   |   |        | 0.31 | 29-May-2020 | (1000)   | Sell | 354108 | 0.31 |
|   |   |        | 0.34 | 05-Jun-2020 | 23090    | Buy  | 377198 | 0.34 |
|   |   |        | 0.32 | 12-Jun-2020 | (13747)  | Sell | 363451 | 0.32 |
|   |   |        | 0.32 | 19-Jun-2020 | (3656)   | Sell | 359795 | 0.32 |
|   |   |        | 0.31 | 26-Jun-2020 | (5511)   | Sell | 354284 | 0.31 |
|   |   |        | 0.33 | 30-Jun-2020 | 11549    | Buy  | 365833 | 0.33 |
|   |   |        | 0.32 | 03-Jul-2020 | (8843)   | Sell | 356990 | 0.32 |
|   |   |        | 0.31 | 10-Jul-2020 | (3930)   | Sell | 353060 | 0.31 |
|   |   |        | 0.32 | 17-Jul-2020 | 5601     | Buy  | 358661 | 0.32 |
|   |   |        | 0.31 | 24-Jul-2020 | (9469)   | Sell | 349192 | 0.31 |
|   |   |        | 0.31 | 31-Jul-2020 | 2601     | Buy  | 351793 | 0.31 |
|   |   |        | 0.31 | 07-Aug-2020 | (3543)   | Sell | 348250 | 0.31 |
|   |   |        | 0.31 | 14-Aug-2020 | 2327     | Buy  | 350577 | 0.31 |
|   |   |        | 0.32 | 21-Aug-2020 | 6727     | Buy  | 357304 | 0.32 |
|   |   |        | 0.03 | 28-Aug-2020 | (320033) | Sell | 37271  | 0.03 |
|   |   |        | 0.00 | 04-Sep-2020 | (32622)  | Sell | 4649   | 0.00 |
|   |   |        | 0.00 | 11-Sep-2020 | (4629)   | Sell | 20     | 0.00 |
|   |   |        | 0.01 | 16-Sep-2020 | 9827     | Buy  | 9847   | 0.01 |
|   |   |        | 0.01 | 18-Sep-2020 | 4724     | Buy  | 14571  | 0.01 |
|   |   |        | 0.00 | 23-Sep-2020 | (14568)  | Sell | 3      | 0.00 |
|   |   |        | 0.00 | 25-Sep-2020 | 1337     | Buy  | 1340   | 0.00 |
|   |   |        | 0.00 | 30-Sep-2020 | 498      | Buy  | 1838   | 0.00 |
|   |   |        | 0.00 | 02-Oct-2020 | (736)    | Sell | 1102   | 0.00 |
|   |   |        | 0.00 | 09-Oct-2020 | (937)    | Sell | 165    | 0.00 |
|   |   |        | 0.00 | 16-Oct-2020 | 467      | Buy  | 632    | 0.00 |
|   |   |        | 0.00 | 23-Oct-2020 | 1611     | Buy  | 2243   | 0.00 |
|   |   |        | 0.04 | 30-Oct-2020 | 38457    | Buy  | 40700  | 0.04 |

|   |  |        |      |             |         |      |        |      |
|---|--|--------|------|-------------|---------|------|--------|------|
|   |  |        | 0.00 | 06-Nov-2020 | (38948) | Sell | 1752   | 0.00 |
|   |  |        | 0.00 | 13-Nov-2020 | (1452)  | Sell | 300    | 0.00 |
|   |  |        | 0.00 | 20-Nov-2020 | 2584    | Buy  | 2884   | 0.00 |
|   |  |        | 0.01 | 27-Nov-2020 | 4099    | Buy  | 6983   | 0.01 |
|   |  |        | 0.02 | 04-Dec-2020 | 20592   | Buy  | 27575  | 0.02 |
|   |  |        | 0.04 | 11-Dec-2020 | 12948   | Buy  | 40523  | 0.04 |
|   |  |        | 0.01 | 18-Dec-2020 | (26414) | Sell | 14109  | 0.01 |
|   |  |        | 0.02 | 25-Dec-2020 | 12650   | Buy  | 26759  | 0.02 |
|   |  |        | 0.00 | 31-Dec-2020 | (24149) | Sell | 2610   | 0.00 |
|   |  |        | 0.00 | 01-Jan-2021 | 740     | Buy  | 3350   | 0.00 |
|   |  |        | 0.03 | 08-Jan-2021 | 32401   | Buy  | 35751  | 0.03 |
|   |  |        | 0.03 | 15-Jan-2021 | (6125)  | Sell | 29626  | 0.03 |
|   |  |        | 0.01 | 22-Jan-2021 | (23526) | Sell | 6100   | 0.01 |
|   |  |        | 0.00 | 29-Jan-2021 | (3065)  | Sell | 3035   | 0.00 |
|   |  |        | 0.00 | 05-Feb-2021 | 364     | Buy  | 3399   | 0.00 |
|   |  |        | 0.01 | 12-Feb-2021 | 5606    | Buy  | 9005   | 0.01 |
|   |  |        | 0.01 | 19-Feb-2021 | 7095    | Buy  | 16100  | 0.01 |
|   |  |        | 0.00 | 26-Feb-2021 | (13158) | Sell | 2942   | 0.00 |
|   |  |        | 0.02 | 05-Mar-2021 | 24343   | Buy  | 27285  | 0.02 |
|   |  |        | 0.00 | 12-Mar-2021 | (24960) | Sell | 2325   | 0.00 |
|   |  |        | 0.01 | 19-Mar-2021 | 7890    | Buy  | 10215  | 0.01 |
|   |  |        | 0.00 | 26-Mar-2021 | (5357)  | Sell | 4858   | 0.00 |
|   |  |        | 0.00 | 31-Mar-2021 | (1363)  | Sell | 3495   | 0.00 |
|   |  | 3495   | 0.00 | 31-Mar-2021 | 0       |      | 3495   | 0.00 |
| 6 | INVESTOR EDUCATION AND PROTECTION FUND AUTHORITY MINISTRY OF CORPORATE AFFAIRS | 302531 | 0.27 | 31-Mar-2020 | 0       |      | 302531 | 0.27 |
|   |  | 302531 | 0.27 | 31-Mar-2021 | 0       |      | 302531 | 0.27 |
| 7 | RIDHIMA MALHOTRA   | 100000 | 0.09 | 31-Mar-2020 | 0       |      | 100000 | 0.09 |
|   |  |        | 0.13 | 05-Feb-2021 | 50000   | Buy  | 150000 | 0.13 |
|   |  |        | 0.18 | 12-Feb-2021 | 50006   | Buy  | 200006 | 0.18 |
|   |  |        | 0.16 | 19-Feb-2021 | (25000) | Sell | 175006 | 0.16 |
|   |  |        | 0.18 | 12-Mar-2021 | 25675   | Buy  | 200681 | 0.18 |
|   |  |        | 0.19 | 26-Mar-2021 | 18152   | Buy  | 218833 | 0.19 |
|   |  |        | 0.23 | 31-Mar-2021 | 36156   | Buy  | 254989 | 0.23 |
|   |  | 254989 | 0.23 | 31-Mar-2021 | 0       |      | 254989 | 0.23 |
| 8 | VARDHAMAN JAYCHAND OSWAL (HUF)   | 227250 | 0.20 | 31-Mar-2020 | 0       |      | 227250 | 0.20 |
|   |  |        | 0.22 | 06-Nov-2020 | 15200   | Buy  | 242450 | 0.22 |
|   |  |        | 0.22 | 13-Nov-2020 | 10300   | Buy  | 252750 | 0.22 |
|   |  |        | 0.23 | 20-Nov-2020 | 5451    | Buy  | 258201 | 0.23 |
|   |  |        | 0.24 | 11-Dec-2020 | 7000    | Buy  | 265201 | 0.24 |
|   |  |        | 0.23 | 18-Dec-2020 | (2000)  | Sell | 263201 | 0.23 |
|   |  |        | 0.23 | 31-Dec-2020 | (200)   | Sell | 263001 | 0.23 |

|    |                               |        |      |             |          |      |        |      |
|----|-------------------------------|--------|------|-------------|----------|------|--------|------|
|    |                               |        | 0.23 | 08-Jan-2021 | (2488)   | Sell | 260513 | 0.23 |
|    |                               |        | 0.23 | 15-Jan-2021 | (500)    | Sell | 260013 | 0.23 |
|    |                               |        | 0.23 | 22-Jan-2021 | 1200     | Buy  | 261213 | 0.23 |
|    |                               |        | 0.23 | 29-Jan-2021 | 1600     | Buy  | 262813 | 0.23 |
|    |                               |        | 0.22 | 05-Mar-2021 | (15126)  | Sell | 247687 | 0.22 |
|    |                               | 247687 | 0.22 | 31-Mar-2021 | 0        |      | 247687 | 0.22 |
| 9  | SANJAY KASHIRAM<br>ADIVAREKAR | 214077 | 0.19 | 31-Mar-2020 | 0        |      | 214077 | 0.19 |
|    |                               | 214077 | 0.19 | 31-Mar-2021 | 0        |      | 214077 | 0.19 |
| 10 | CHITTA RANJAN DAS .           | 180000 | 0.16 | 31-Mar-2020 | 0        |      | 180000 | 0.16 |
|    |                               |        | 0.14 | 24-Apr-2020 | (26903)  | Sell | 153097 | 0.14 |
|    |                               |        | 0.14 | 01-May-2020 | 303      | Buy  | 153400 | 0.14 |
|    |                               |        | 0.14 | 05-Jun-2020 | 5600     | Buy  | 159000 | 0.14 |
|    |                               |        | 0.00 | 12-Jun-2020 | (159000) | Sell | 0      | 0.00 |
|    |                               |        | 0.02 | 16-Sep-2020 | 20100    | Buy  | 20100  | 0.02 |
|    |                               |        | 0.02 | 18-Sep-2020 | 4878     | Buy  | 24978  | 0.02 |
|    |                               |        | 0.02 | 23-Sep-2020 | 72       | Buy  | 25050  | 0.02 |
|    |                               |        | 0.02 | 02-Oct-2020 | 1030     | Buy  | 26080  | 0.02 |
|    |                               |        | 0.03 | 16-Oct-2020 | 2940     | Buy  | 29020  | 0.03 |
|    |                               |        | 0.03 | 23-Oct-2020 | 5980     | Buy  | 35000  | 0.03 |
|    |                               |        | 0.00 | 30-Oct-2020 | (34300)  | Sell | 700    | 0.00 |
|    |                               |        | 0.00 | 06-Nov-2020 | (700)    | Sell | 0      | 0.00 |
|    |                               |        | 0.01 | 29-Jan-2021 | 6500     | Buy  | 6500   | 0.01 |
|    |                               |        | 0.02 | 05-Feb-2021 | 16300    | Buy  | 22800  | 0.02 |
|    |                               |        | 0.03 | 12-Feb-2021 | 6445     | Buy  | 29245  | 0.03 |
|    |                               |        | 0.03 | 19-Feb-2021 | 3565     | Buy  | 32810  | 0.03 |
|    |                               |        | 0.03 | 26-Feb-2021 | 3880     | Buy  | 36690  | 0.03 |
|    |                               |        | 0.03 | 05-Mar-2021 | (590)    | Sell | 36100  | 0.03 |
|    |                               |        | 0.04 | 19-Mar-2021 | 8400     | Buy  | 44500  | 0.04 |
|    |                               |        | 0.04 | 26-Mar-2021 | 1750     | Buy  | 46250  | 0.04 |
|    |                               | 46250  | 0.04 | 31-Mar-2021 | 0        |      | 46250  | 0.04 |
| 11 | RAJAT MALHOTRA                | 177042 | 0.16 | 31-Mar-2020 | 0        |      | 177042 | 0.16 |
|    |                               |        | 0.14 | 28-Aug-2020 | (22622)  | Sell | 154420 | 0.14 |
|    |                               |        | 0.16 | 04-Sep-2020 | 22622    | Buy  | 177042 | 0.16 |
|    |                               |        | 0.11 | 18-Dec-2020 | (50000)  | Sell | 127042 | 0.11 |
|    |                               |        | 0.13 | 25-Dec-2020 | 16901    | Buy  | 143943 | 0.13 |
|    |                               |        | 0.11 | 08-Jan-2021 | (16901)  | Sell | 127042 | 0.11 |
|    |                               |        | 0.14 | 29-Jan-2021 | 30000    | Buy  | 157042 | 0.14 |
|    |                               |        | 0.16 | 05-Feb-2021 | 20000    | Buy  | 177042 | 0.16 |
|    |                               | 177042 | 0.16 | 31-Mar-2021 | 0        |      | 177042 | 0.16 |
| 12 | RAJ KUMAR MALHOTRA            | 175000 | 0.16 | 31-Mar-2020 | 0        |      | 175000 | 0.16 |
|    |                               | 175000 | 0.16 | 31-Mar-2021 | 0        |      | 175000 | 0.16 |



| Sl No. | Name                      | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                                  | Increase/Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc): | 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 |   | No. of shares                       | % of total shares of the company |
| 1      | Sachin R. Shirgaokar      | 15002133                                  | 1.32                             | 00                                      | 0.000                            | No Change during the year   | 15002133                            | 1.32                             |
| 2      | Sohan Shirgaokar          | 145032                                    | 0.27                             | 00                                      | 0.000                            |   | 145032                              | 0.27                             |
| 3      | Mr. Rakesh V. Kapoor      | 5000                                      | 0.00                             | 00                                      | 0.000                            |   | 5000                                | 0.00                             |
| 4      | Mr. D. B. Shah            | 30000                                     | 0.03                             | 00                                      | 0.000                            |   | 30000                               | 0.03                             |
| 5      | Shishir Shirgaokar        | 394255                                    | 0.31                             | 00                                      | 0.00                             |   | 394255                              | 0.31                             |
| 6      | Mr. Niraj S. Shirgaokar   | 219214                                    | 0.19                             | 00                                      | 0.000                            |   | 244214                              | 0.19                             |
| 7      | Mr. Chandan S. Shirgaokar | 643015                                    | 0.44                             | 00                                      | 0.000                            |   | 643015                              | 0.44                             |
| 8      | Mrs. Shilpa Kumar         | 152600                                    | 0.14                             | 00                                      | 0.000                            |   | 152600                              | 0.14                             |
| 9      | Prafulla V. Shirgaokar    | 823929                                    | 0.73                             | 00                                      | 0.000                            |   | 823929                              | 0.73                             |
| 10     | Mr. V. Balasubramanian    | 11200                                     | 0.01                             | 00                                      | 0.000                            |   | 11200                               | 0.01                             |
| 11     | Dr. M. R. Desai           | 69608                                     | 0.06                             | 00                                      | 0.000                            |   | 69608                               | 0.06                             |
| 12     | Mrs. Suneeta S Thakur     | 18000                                     | 0.02                             | 00                                      | 0.000                            |   | 18000                               | 0.02                             |
| 15     | Hari Y. Athawale          | 58240                                     | 0.03                             | 00                                      | 0.000                            |   | Market Sell                         | 48240                            |
| 15     | Mr. Shripad Gangavati     | 00  | 0.00                             | 00                                      | 0.000                            | Market Purchase   | 5000                                | 0.00                             |

## VI. INDEBTEDNESS

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

|   | Secured Loans excluding deposits | Unsecured Loans | Deposits * | Total Indebtedness |
|---|----------------------------------|-----------------|------------|--------------------|
| Indebtedness at the beginning 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          |
| Change in Indebtedness during the financial year    |                                  |                 |            |                    |
| • Addition  | 4,19,155.74                      | 371.98          | -          | 4,19,527.72        |
| • Reduction   | 4,10,506.33                      | 150.00          | -          | 4,10,656.33        |
| Net Change  | 8,649.41                         | 221.98          | -          | 8,871.39           |
| Indebtedness at the end of the financial year       |                                  |                 |            |                    |
| i) Principal Amount                                 | 51,613.00                        | 330.00          | 2.55       | 51,945.55          |
| ii) Interest due but not paid                       | -                                | -               | -          | -                  |
| iii) Interest accrued but not due                   | 98.99                            | -               | -          | 98.99              |
| Total (i+ii+iii)                                    | 51,711.99                        | 330.00          | 2.55       | 52,044.54          |

\* Amount of Unclaimed Deposit. # Represents deposits from directors / Short Term Loan form UBI for Off Season Exp

**VII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

**A. Remuneration to Managing Director and/or Manager**

(Rs. In Lakhs)

| Sl. No. | Particulars of Remuneration  | Name of MD/WTD/Manager   |                            | Total Amount |
|---------|--|--------------------------|----------------------------|--------------|
|         |  | Niraj S. Shirgaokar (MD) | Chandan S. Shirgaokar (MD) |              |
| 1.      | Gross salary<br>(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961                          | 74.90                    | 198.94                     | 273.84       |
|         | (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 | 28.76                    | 9.44                       | 38.20        |
| 2.      | Stock Option   | –                        | 00                         | –            |
| 3.      | Sweat Equity   | –                        | 00                         | –            |
| 4.      | Commission<br>- as % of profit<br>- others, specify...   | 83.54<br>–               | 83.54<br>–                 | 167.08<br>–  |
| 5.      | Others, ( Retirement Benefits)   | 9.00                     | 20.57                      | 29.57        |
|         | Total (A)  | 196.20                   | 312.49                     | 508.69       |
|         | Ceiling as per the Act   |                          |                            |              |

**B. Remuneration to other directors:**

(Rs. In Lakhs)

| Particulars of Remuneration                  | Name of Directors  |            |           |               |                  |                       |                    |                |                     |                      |                     |              | Total Amount |
|--|--------------------|------------|-----------|---------------|------------------|-----------------------|--------------------|----------------|---------------------|----------------------|---------------------|--------------|--------------|
|  | 1                  | 2          | 3         | 4             | 5                | 6                     | 7                  | 8              | 9                   | 10                   | 11                  | 12           |              |
|  | V Bala subramanian | M.G. Joshi | D.B. Shah | Rakesh Kapoor | Hari Y. Athawale | Shripad S. Ganga vati | Sunee-ta S. Thakur | PV Shirgao Kar | Shishir Shirgao kar | Sachin R Shirgao kar | Sohan S Shirgao kar | Shilpa Kumar |              |
| <b>1 Independent Director</b>                |                    |            |           |               |                  |                       |                    |                |                     |                      |                     |              |              |
| Fee for attending board /committee meetings  | 1.60               | 1.70       | 1.30      | 1.50          | 1.60             | 1.20                  | 1.10               | 00             | 00                  | 00                   | 00                  | 00           | 10.00        |
| Commission                                   |                    | 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           |
| Total (1)                                    | 1.60               | 1.70       | 1.30      | 1.50          | 1.60             | 1.20                  | 1.10               | 00             | 00                  | 00                   | 00                  | 00           | 10.00        |
| <b>2 Other Non-Executive Director</b>        |                    |            |           |               |                  |                       |                    |                |                     |                      |                     |              |              |
| Fee for attending board / committee meetings | 00                 | 00         | 00        | 00            | 00               | 00                    | 00                 | 1.00           | 1.00                | 1.60                 | 1.70                | 1.00         | 6.30         |
| Commission                                   | 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           |              |
| Total (2)                                    | 00                 | 00         | 00        | 00            | 00               | 00                    | 00                 | 1.00           | 1.00                | 1.60                 | 1.70                | 1.00         | 6.30         |
| Total (B)=(1+2)                              | 1.60               | 1.70       | 1.30      | 1.50          | 1.60             | 1.20                  | 1.10               | 1.00           | 1.00                | 1.60                 | 1.70                | 1.00         | 16.30        |
| Remuneration Overall Ceiling as per the Act  |                    |            |           |               |                  |                       |                    |                |                     |                      |                     |              |              |

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

(Rs. In Lakhs)

| Sl. No. | Particulars of Remuneration   | Key Managerial Personnel                           |  |   |  | Total        |
|---------|---|--|--|---|--|--------------|
|         |   | <b>Rajan V. Desurkar</b><br>CFO (Up to 18/01/2021) | <b>B.G. Kulkarni</b><br>Company Secretary<br>Up to 18/01/2021) | <b>Shrikanta V. Bhat</b><br>(CFO) w.e.f. 01/02/2021 | <b>Tushar V. Deshpande</b><br>Company Secretary<br>w.e.f. 10/02/2021 |              |
| 1       | Gross salary<br>(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961<br>(b) Value of perquisites u/s17(2) Income-tax Act, 1961<br>(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961 | 26.85  | 25.54  | 2.73  | 1.12   | 56.24        |
| 2       | Stock Option  | 0  | 0  | 0   | 0  | 0            |
| 3       | Sweat Equity  | 0  | 0  | 0   | 0  | 0            |
| 4       | Commission<br>- as % of profit<br>- Others specify...   | 0  | 0  | 0   | 0  | 0            |
| 5       | Others: (Retirement Benefit)  | 3.23   | 3.11   | 0.4   | 0.1  | 6.84         |
|         | <b>Total</b>  | <b>30.08</b>                                       | <b>28.65</b>   | <b>3.13</b>   | <b>1.22</b>  | <b>63.08</b> |

**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                          | -                            | -                 | -   | -                            | -                                  |
| <b>C. OTHER OFFICERS IN DEFAULT</b> |                              |                   |   |                              |                                    |
| 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 Personnel) Rules, 2014.**

- I. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2020-21, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2020-21 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 2020-21 (Rs. in Lakh) | % Increase/ Decrease in Remuneration in the Financial Year 2020-21 | 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<br>Managing Director   | 196.20  | 45.12  | 74.04  | Increase in the profit of the company from Rs. 1376.54 Lakh to Rs. 1705.06 lakh. |
| 2)      | Chandan Shirgaokar<br>Managing Director.  | 312.49  | 26.85  | 117.92   |  |
| 3)      | R V Desurkar GM Finance & Chief Financial Officer (retired w.e.f 18/01/2021)        | 30.08   | NA   | NA   |  |
| 4)      | B G Kulkarni<br>GM Corporate Affairs & Company Secretary (retired w.e.f 18/01/2021) | 28.65   | NA   | NA   |  |
| 5)      | Shrikanta V Bhat<br>Manager Finance<br>Chief Financial Officer (w.e.f. 10/02/2021)  | 3.13  | NA   | NA   |  |
| 6)      | Tushar V Deshpande<br>Company Secretary (w.e.f. 10/02/2021)                         | 1.22  | NA   | NA   |  |

- i) The median remuneration of employees of the company during the financial year was Rs. 2.65 Lakh.
- ii) In the financial year, there was no increase in the median remuneration of employees;
- iii) There were 1309 permanent employees on the roll of company as on March 31, 2021;
- iv) Relationship between average in the remuneration and company performance:- Increase in the profit of the company from Rs.1376.54 Lakh to Rs. 1705.06 Lakh.
- 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 26.58 % from Rs. 451.76 Lakh in 2019-20 to Rs. 571.83 Lakh in 2020-21 whereas the profit increase from Rs. 1376.54 Lakh in 2019-20 to Rs. 1705.06 Lakh in 2020-21

- vii) a) Variations in the market capitalization of the company : The Market capitalization as on March 31, 2021 was Rs. 195.19 Crore (Rs. 121.61 Crore as on March 31,2020)
- b) Price Earnings ratio of the Company was 13.45 as at March 31, 2021 and was 10.81 as at March 31, 2020.
- 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. 20,500 as on March 31, 2021 indicating a Compounded Annual Growth Rate of 4.35% 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. 2020-21 was NIL% whereas the Increase in the managerial remuneration for the same financial year was 26.58 %
- 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](http://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, Uttar Pradesh and Karnataka contribute to more than 75 % of the country's total production. Tamilnadu, Andhra Pradesh, Bihar and Gujarat are the other major sugar producing States.

The sugar production in the country during the year will be around 309 Lakh tons compared to 274 Lakh tons in the previous year. The sugar production during the year 2021-22 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 short term outlook for sugar looks to be bearish on account of excess stock and low demand position.

However, the Ethanol supply and exports prove to be a silver lining for the industry in the years to come

The roadmap for ethanol blending in India 2020-25 has been released, it is likely that ethanol distillation capacities in the country would be more than doubled by 2025 and we would be able to



achieve 20 % blending target. To achieve blending targets, Government is encouraging sugar mills and distilleries to enhance their distillation capacities for which Government is facilitating them to avail loans from banks for which interest subvention up to 6% is being borne by Government.

Supply to OMCs has increased by 5 times from 2013-14 to 2018-19. In ESY (Estimated Sugar Year) 2018-19, Government touched a historically high figure of about 189 crore litres thereby achieving 5% blending. It is expected that in current ethanol supply year 2020-21, more than 300 crore ltrs ethanol is likely to be supplied to OMCs to achieve 8 to 8.5 % blending levels. It is also likely that we would be achieving 10% blending target by 2022. Government has now increased the ex-mill price of ethanol derived from various feed stocks on the basis of raw material cost and conversion costs.

**Opportunities and Threats:**

**Opportunities:**

- To control falling prices, the government has introduced release mechanism and has also declared minimum selling price
- 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 2<sup>nd</sup> 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 and due to Covid-19.
- Shortage in availability of farm labour for harvesting and transportation, loading and unloading of sugarcane.
- 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, leading to higher competition

**Segment wise Performance:**

**Sugar:**

During the Current Year the Company has crushed 22.87 Lakh MT of sugarcane from both Ugar and Jewargi unit (as against 16.41 Lakh MT during previous year) and produced 26.43 lakh Qtls of sugar (as against 17.95 Qtl of sugar during previous year) at the recovery of 11.56% and 10.72% respectively for Ugar and Jewargi unit.

**Industrial and Potable Alcohol:**

The Company has produced 142.00 Lakhs BLS and 58.87 Lakhs of bulk BLS of Industrial and Potable Alcohol respectively during the year (against the last year production of 187.86 Lakhs.)

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

We have generated 1704.22 Lakhs KW power during the year at Ugar and Jewargi Unit (as against 1273.37 lakhs during previous year) and have exported 928.24 Lakhs KW of power during the year (as against 692.06 Lakhs KW during previous year). We have supplied power to the exchange through Electric Supply Companies (ESCOMS).

**Adequacy of Internal Control:**

The Company has a proper and adequate system of internal control to ensure that all assets are safeguarded and protected. The Internal Auditor submits 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, 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 work force of 1309 people (including Jewargi unit) comprising of 980 permanent, 276 seasonal and 53 employees in Honararium.

## 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 31<sup>st</sup> March 2021.

During the year, 5 (Five) Board Meeting were held on 26<sup>th</sup> June, 14<sup>th</sup> August, 23<sup>rd</sup> September, 11<sup>th</sup> November 2020 and 10<sup>th</sup> February, 2021

- 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 \$ |          | List of Directorship held in Other Listed Companies and Category of Directorship                           |
|------------------------------|--------------------------|--------------------------------|------------------------|-----------------------------|---|----------|--|
|                              |                          |                                |                        |                             | Member                                      | Chairman |  |
| 1. Mr. Shishir S. Shirgaokar | P/Chairman               | 5                              | Yes                    | 10                          | -   | 2        | · Synergy Green Industries Limited-Non-Executive Director<br>· KPT Industries Limited-Independent Director |
| 2. Mr. P. V. Shirgaokar      | P/NED                    | 5                              | Yes                    | 7                           | -   | -        | -----  |
| 3. Mr. Niraj S. Shirgaokar   | P/MD                     | 5                              | Yes                    | 5                           | -   | -        | -----  |
| 4. Mr. Chandan S. Shirgaokar | P/MD                     | 5                              | Yes                    | 4                           | -   | -        | · Synergy Green Industries Limited-Non-Executive Director  |
| 5. Mr. Sachin R. Shirgaokar  | P/NED                    | 5                              | Yes                    | 4                           | -   | -        | · Synergy Green Industries Limited CMD   |
| 6. Mr. Sohan S. Shirgaokar   | P/NED                    | 5                              | Yes                    | 3                           | -   | -        | · Synergy Green Industries Limited-Executive Director  |
| 7. Mrs. Shilpa Kumar         | P/NEWD                   | 5                              | Yes                    | 2                           | -   | -        | -----  |
| 8. Mr. V. Balasubramanian    | NEID                     | 5                              | No                     | 4                           | -   | -        | -----  |

|                          |       |   |     |   |   |   |  |
|--------------------------|-------|---|-----|---|---|---|--|
| 9. Dr. M. R. Desai       | NEID  | 5 | Yes | 4 | - |   | · Synergy Green Industries Limited- Non Executive Independent Director |
| 10. Mr. D. B. Shah       | NEID  | 5 | Yes | - | - | - | -----  |
| 11. Mr. Rakesh V. Kapoor | NEID  | 5 | Yes | 3 | 3 | 3 | · Racl Gear tech Limited -   |
| 12. Mr. Hari Y. Athawale | NEID  | 5 | Yes | - | - | - | -----  |
| 13. Shripad S Gangavati  | NEID  | 5 | Yes | 1 | - | - | -----  |
| 14. Suneeta S Thakur     | NEWID | 5 | Yes | - | - | - | -----  |

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

# Excluding Directorships held in Foreign Companies and Section 8 Companies. As per Corporate Governance submitted to exchange.

\$ Committees of Other Listed Companies considered are Audit Committee, Stakeholders' Relationship Committee & Nomination & Remuneration Committee.

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

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

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

| S.No. | Name of Director          | Skill, Expertise and Competence   |
|-------|---------------------------|---|
| 1.    | Mr. Shishir S. Shirgaokar | He has a vast experience in the sugar industry. He has worked as Whole time Director of the Company from 2005 to 2008, as an Executive Director from 2008 to 2010, as a Managing Director from 2010 to 2015, as an Executive Vice Chairman in 2015-16 and presently he continues as a Non-Executive Director & Chairman of the Company. |
| 2.    | Mr. P. V. Shirgaokar      | 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 Chairman from 2015 to 2020 presently he continues as a Non-Executive Director of the Company.             |

|     |                           |  |
|-----|---------------------------|--|
| 3.  | Mr. Niraj S. Shirgaokar   | He has rich and varied experience in the Sugar industry. He has developed SAP System of our Company. He has acquired manufacturing and Administrator proficiency related to manufacturing activities, he is currently Managing Director of the Company for last number of years. He is representing ISMA as President.   |
| 4.  | Mr. Chandan S. Shirgaokar | He has vast experience in the sugar industry from last number of years, and He has acquired manufacturing and Administrator proficiency related to manufacturing activities, he is currently Managing Director of the Company for last number of years. He is representing All Indian Distillery Association as a President.   |
| 5.  | Mr. Sachin R. Shirgaokar  | A Mechanical Engineering from the College of Engineering, Bijapur, Karnataka University. This was followed by a Masters Degree in Business Administration from the University of New Hampshire, USA in 1990.<br>He has over 15 years of work experience. He has worked for R. E. Sanderson & Associates, New York as a Junior Consultant. He is presently working with the S. B. Reshellers Pvt. Ltd., & Synergy Green Ind. Ltd., as a Managing Director and with other group companies as a director. |
| 6.  | Mr. Sohan S. Shirgaokar   | A Commerce graduate from the Chintamanrao Commerce College, Sangli (Shivaji University Kolhapur). He has completed his M.B.A in Finance & Marketing from the Institute of Management Development & Research Sangli, a unit of the Deccan Education Society, Pune. He is presently working with the S. B. Reshellers Pvt. Ltd., & Synergy Green Ind. Ltd., as a Joint Managing Director.  |
| 7.  | Mrs. Shilpa Kumar         | A MBA from IIM Kolkatta. She has a rich experience over 22 years in the Finance and Treasury Management. She was recognized as Asia's most influential women in finance Treasury. She was Managing Director & CEO at ICICI Securities Limited. She worked with ICICI Bank Limited as Senior General Manager.   |
| 8.  | Mr. V. Balasubramanian    | Mr. V Balasubramanian (Retd. IAS) is retired Principal Secretary, Government of Karnataka. He is a Knowledgeable person having vast experience in Administration & many other fields.  |
| 9.  | Dr. M. R. Desai           | A qualified doctor, an Independent Director. He has rich experience in the working of sugar industry. He was a chairman of National Federation for Co-operative Sugar Industries.  |
| 10. | Mr. D. B. Shah            | He is an agriculturist and a social worker.  |



|     |                         |   |
|-----|-------------------------|---|
| 11. | Mr. Rakesh Kapoor       | A B Sc. (Hons. Chemistry) from Hinduja College, University of Delhi, Post graduate Diploma in Sugar Technology from National Sugar Institute, Kanpur. He has working with various Government Finance Authorities and A dynamic Techno- Finance Professional with strong experience of 31 year in financial service and 15 year in corporate sector.   |
| 12. | Mr. Hari Y. Athawale    | A Master in Science (Major-Statistics) from Pune University (1962) and Diploma in Systems Analysis from New York University, New York (1985). He has over 22 years of the Banking experience in State Bank of India, the largest commercial bank in India, in Senior Executive Positions covering various responsibilities. He has also worked with State Bank of India, New York Office, Bank of New Zealand, New York, ICICI Ltd which later became ICICI Bank Ltd. |
| 13. | Mr. Shripad S Gangavati | A BE Mech., and 2 <sup>nd</sup> Rank in the HSC Board of Karnataka, Membership of various Sugar Associations, also he has received various Awards and more than 17 Technical Papers was published.  |
| 14. | Mrs. Suneeta S Thakur   | An Ex-Deputy Managing Director of Saraswat Bank Ltd., Pune, having vast experience in various area related to Banking & Finance Industry.   |

**D. 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:

- Mr. Shishir. S. Shirgaokar, age 76 years, Science graduate from the Fergusson College, University of Pune, was appointed on the Board on 05.08.1994. He served as Whole-time Director, Executive Director, Managing Director and Executive vice Chairman. 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 394255 shares of the Company as on 31.03.2021. His directorship & committee membership in other companies & LLPs are given below.

| Sr. No. | Directorship in other Companies        | Audit Committee | Shareholders / Investor Grievances Committee |
|---------|--|-----------------|--|
| 1.      | Synergy Green Industries Limited       | –               | –  |
| 2.      | Ugar Quality Packaging Private Limited | –               | –  |
| 3.      | Ugar Pipe Industries Pvt. Ltd          | –               | –  |
| 4.      | Tara Tiles Pvt. Ltd                    | –               | –  |
| 5.      | Indo Schottle Auto Parts Pvt. Ltd      | –               | –  |
| 6.      | Kulkarni Power Tools Ltd               | Chairman        | –  |
| 7.      | S.B. Reshellers Private Limited        | –               | –  |
| 8.      | SLK Software Services Private Limited  | –               | –  |
| 9.      | Suresh Shirgaokar Enterprises LLP      | –               | –  |
| 10.     | Shishir Shirgaokar Enterprises LLP     | –               | –  |
| 11.     | Bsj Engineering Private Limited        | –               | –  |

- Shri. Sachin Rajendra Shirgaokar, age 55 years, was appointed as a Non-Executive Director on the Board from 2014. He is liable to retire at the ensuing Annual General meeting. Being eligible he offered himself for appointment as a Director.

He will be appointed as a Non-Executive Director, and liable to retire by rotation. He has a Bachelor's Degree in Mechanical Engineering from the College of Engineering, Bijapur, Karnataka University. This was followed by a Masters Degree in Business Administration from the University of New Hampshire, USA in 1990. He holds 15,02,133 shares of the Company as on 31.03.2021. His directorship & committee membership in other companies and LLP are given below.

| Sr. No. | Directorship in other Companies               | Audit Committee | Shareholders / Investor Grievances Committee |
|---------|---|-----------------|--|
| 1.      | S.B. Reshellers Private Limited               | -               | -  |
| 2.      | Tara Tiles Pvt. Ltd                           | -               | -  |
| 3.      | Synergy Green Industries Limited              | -               | -  |
| 4.      | Cosmos Machining Technologies Private Limited | -               | -  |
| 5.      | Sangli Fabricators LLP                        | -               | -  |
| 6.      | V. S. Shirgaokar Enterprises LLP              | -               | -  |

- Mr. Hari Y. Athawale, aged 82 is appointed as an Independent and Non-Executive Director on 6th November, 2015. He is Masters in Science (Major- Statistics) from Pune University (1962) and Diploma in Systems Analysis from New York University, New York (1985). He has Over 22+ years of the Banking experience in State Bank of India, the largest commercial bank in India, having worked in Senior Executive Positions covering various responsibilities. He has also worked with State Bank of India, New York Office, Bank of New Zealand, New York, ICICI Ltd which later became ICICI Bank Ltd. He holds 48240 equity shares in the Company as on 31.03.2021. His directorship & committee membership in other companies is given below.

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

#### E. Code of Conduct:

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

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

#### III. Audit Committee:

The Audit Committee presently comprises 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 26<sup>th</sup> June, 14<sup>th</sup> August, 11<sup>th</sup> November 2020 and 10<sup>th</sup> February, 2021

- 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               | 4        |
| 2. Mr. V. Balasubramanian   | Member   | 4               | 4        |
| 3. Dr. M. R. Desai          | Member   | 4               | 4        |
| 4. Mr. Haribhau Y Athawale  | Member   | 4               | 4        |
| 5. Mr. Sachin R. Shirgaokar | Member   | 4               | 4        |
| 6. Mr. Sohan S. Shirgaokar  | Member   | 4               | 4        |

Committee comprises of majority of Independent Directors with its Chairman as an Independent Director. The Company Secretary Mr. Tushar V Deshpande is Secretary of the Committee.

- The Role of the Audit Committee is asunder:-

The role of the Audit Committee shall include the following:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- Approval of payment to statutory auditors for any other services rendered by them.
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - Matters required to be included in the Director's Responsibility Statement of the Board's report in terms of sub-section 5 of section 134 of the Companies Act, 2013.
  - Changes, if any, in accounting policies and practices and reasons for the same.
  - Major accounting entries involving estimates based on the exercise of judgment by management.
  - Significant adjustments made in the financial statements arising out of audit findings.
  - Compliance with listing and other legal requirements relating to financial statements.
  - Disclosure of any related party transactions.
  - Qualifications in the draft audit report.
- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- 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](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, one meeting of Nomination & Remuneration Committee was held, on 9th February 2021.
- Composition and attendance record of Nomination & Remuneration Committee is given below:

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

**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 31<sup>st</sup> March, 2021.

**(Rs. In Lakhs)**

| Particulars                    | Salary | Commission | Perquisites | Retirement Benefits | Total  |
|--------------------------------|--------|------------|-------------|---------------------|--------|
| Mr. Niraj S. Shirgaokar (MD)   | 74.90  | 83.54      | 28.76       | 9.00                | 196.20 |
| Mr. Chandan S. Shirgaokar (MD) | 198.94 | 83.54      | 9.44        | 20.57               | 312.49 |



**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 09<sup>th</sup> February, 2021.
- **Composition:** The composition and attendance record of Stakeholders' Relationship and Grievance Committee members are given below:

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

- 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. Tushar V Deshpande, Company Secretary has been designated as the Compliance Officer.
- During the year only one complaint was received from investors which was replied/ resolved to the satisfaction of the investors and as on 31<sup>st</sup> March, 2021, no complaints were pending.
- There are no transfer of physical shares. As per SEBI Notification there is prohibition of physical shares. Only Dematerialized share are transferred w.e.f 01<sup>st</sup> April 2019.

**VI. 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 09<sup>th</sup> February, 2021

- 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. Natural Calamities |
| 3. Education             | 4. Sport Development  |
| 5. Community 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 |

**VII. Separate Meeting of Independent Directors:**

During the year under review, the Independent Directors met on 09<sup>th</sup> February, 2021 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.

**VIII. General Body Meetings:**

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

| Financial Year | AGM | Location   | Date       | Time       |
|----------------|-----|--|------------|------------|
| 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. |
| 2019-20        | AGM | Registered office Sangli through VC/OAVM                               | 23/09/2020 | 3.00 p.m.  |

- Special Resolutions passed at the Annual / Extra Ordinary General Meetings/Postal Ballot in past 3 years:
- The Special Resolution has passed through Postal ballot during this year 2020-21 Dated: 29.02.2020 as given below.

**80<sup>th</sup> Annual General Meeting:**

All the special resolutions were passed through E-voting & Poll conducted at the 80<sup>th</sup> AGM. The combined results of E- voting and Poll are as under

| 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                  | %     | No of shares                 | %      |
| Special            | Continuation of directorship 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. | 3,65,21,557                   | 99.99 | 105                          | 0.0003 |

**Postal Ballot:**

- The Special Resolution passed through Postal ballot during this year 2020-21 Dated: 29.02.2020

| 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                  | %     | No of shares                 | %    |
| 1      | Special            | Payment of remuneration in excess of 11% of the net profits to all the Directors and also in excess of 10% of the net profits to two Managing Directors | 1,98,42,554                   | 94.23 | 83,724                       | 0.40 |
| 2      | Special            | Revision in the remuneration payable to Mr. Niraj S. Shirgaokar (DIN.00254525 )   | 2,09,72,460                   | 99.60 | 83,724                       | 0.40 |
| 3      | Special            | Revision in the remuneration payable to Mr.Chandan S. Shirgaokar (DIN.00208200 )  | 2,09,72,360                   | 99.60 | 83,724                       | 0.40 |

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

**79<sup>th</sup> 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. | 1,56,70,786                   | 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 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 1 <sup>st</sup> April 2019 till the conclusion of Annual general meeting to be held in 2021          | 14,71,892                     | 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 16 <sup>th</sup> January 2020 till the conclusion of Annual general meeting to be held in 2021 | 14,49,981                     | 92.87 | 66,916                       | 4.29  |
| 3      | Special            | Continuation of Mr. Manohar G Joshi as an independent director of the Company from 1 <sup>st</sup> April, 2019 to till conclusion of Annual General Meeting to be held in the year 2019                    | 4,45,73,410                   | 99.69 | 66,208                       | 0.15  |
| 4      | Special            | Continuation of Mr. Deepchand Shah as an independent director of the Company from 1 <sup>st</sup> April, 2019 to till conclusion of Annual General Meeting to be held in the year 2019                     | 4,45,80,416                   | 99.71 | 80,182                       | 0.18  |

|   |         |  |             |       |        |      |
|---|---------|--|-------------|-------|--------|------|
| 5 | Special | Continuation of Mr. V Balasubramanian as an independent director of the Company from 1 <sup>st</sup> April, 2019 to till conclusion of Annual General Meeting to be held in the year 2019              | 4,45,88,326 | 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 1 <sup>st</sup> April, 2019 to till conclusion of Annual General Meeting to be held in the year 2021 | 4,45,86,666 | 99.72 | 74,306 | 0.17 |

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

### 78<sup>th</sup> Annual General Meeting:

All the special resolutions were passed through E-voting & Poll conducted at the 78<sup>th</sup> AGM. The combined results of E- voting and Poll is asunder:

| 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  |
|        |                    |  | 2,11,36,908                   | 99.83 | 36,258                       | 0.17  |
| 2      | Special            | To consider the re-appointment 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. |                               |       |                              |       |

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

### IX. Other Disclosures:

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

| Name of the Directors        | Sitting 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 31/03/2021 |
|------------------------------|---------------------------------|---|-----------------------------|---|-------------------------------------|
| 1. Mr. P V Shirgaokar        | 1.00                            | 14.82                                       | 0.82                        | 8.37  | 8,23,929                            |
| 2. Mr. V. Balasubramanian    | 1.60                            | -   | 0.01                        | -   | 11,200                              |
| 3. Mr. Shishir S. Shirgaokar | 1.00                            | -   | 0.39                        | 2.91  | 3,94,255                            |
| 4. Dr. M. R. Desai           | 1.70                            | -   | 0.07                        | -   | 69,608                              |



|                             |      |   |       |   |          |
|-----------------------------|------|---|-------|---|----------|
| 5. Mr. D.B. Shah            | 1.30 | - | 0.03  | - | 30,000   |
| 6. Mr. Rakesh Kapoor        | 1.50 | - | 0.005 | - | 5,000    |
| 7. Mr. Sachin R. Shirgaokar | 1.60 | - | 1.50  | - | 1502133  |
| 8. Mr. Sohan S. Shirgaokar  | 1.70 | - | 0.14  | - | 1,45,032 |
| 9. Mrs. Shilpa Kumar        | 1.00 | - | 0.15  | - | 1,52,600 |
| 10. Mr. Hari Y. Athawale    | 1.60 | - | 0.058 | - | 48,240   |
| 11. Suneeta S Thakur        | 1.20 | - | 0.018 | - | 18,000   |
| 12. Shripad S Gangavati     | 1.10 | - | 0.005 | - | 5000     |

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

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

**Note :-** The transactions executed with the Non-Executive Directors as well as the Related Parties referred above is 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](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-

- |                          |                                |
|--------------------------|--------------------------------|
| 1. Niraj S. Shirgaokar   | - Member                       |
| 2. Chandan S. Shirgaokar | - Member                       |
| 3. R. V. Desurkar        | - Member up to 18/01/2021      |
| 4. B. N. Akiwate         | - Member                       |
| 5. B.G. Kulkarni         | - Coordinator up to 18/01/2021 |
| 6. Shrikanta Bhat        | - Member from 10/02/2021       |
| 7. Tushar Deshpande      | - Coordinator from 10/02/2021  |

### **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](http://www.ugarsugar.com).

### **E. Subsidiary Companies:**

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

USW Spirits Pvt. Ltd has incorporated on 17<sup>th</sup> Feb, 2021. The Company holds 50% of Share capital in USW Spirits Pvt. Ltd. The USW Spirits Pvt. Ltd is yet to commence its business. It is a non-material Subsidiary Company. However, the Company yet to contribute towards share capital of the company till 31<sup>st</sup> March, 2021.

### **F. Associate Companies:**

There is no Associate Companies during the year 2020-21

### **G. 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.

### **X. 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 /Tarun Bharat in Marathi, regularly. Additionally the results and other important information are also periodically updated on the Company's Website, viz. [www.ugarsugar.com](http://www.ugarsugar.com)

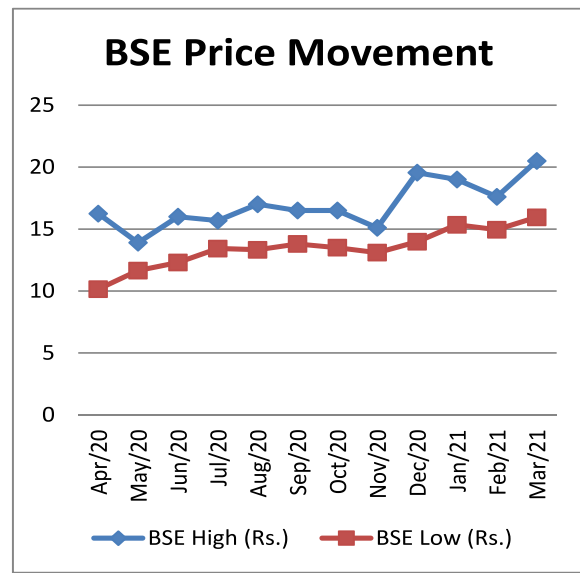
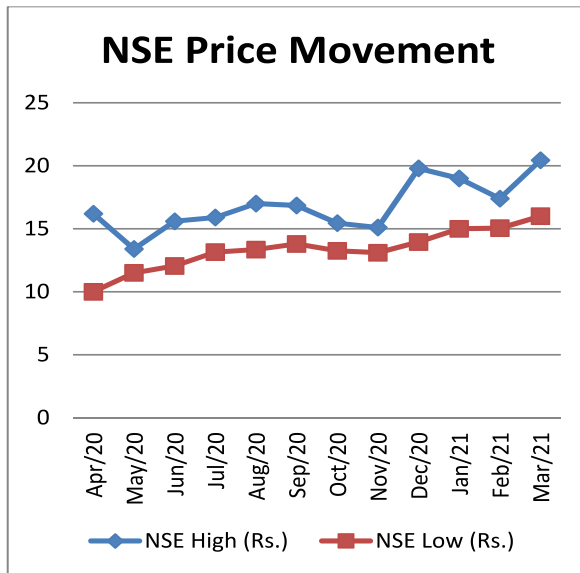
Company has not issued any news releases nor given any presentation to institutional investors or the analysts.

**XI. General Shareholders Information.**

|  |   |
|--|---|
| i. AGM Date, Time and Venue              | 22 <sup>nd</sup> September 2021 at 11.00 am at Registered Office  |
| ii. Financial Calendar 2020-21           | Probable Dates:   |
| First quarterly un-audited results       | Before 15 <sup>th</sup> of August, 2021   |
| Second quarterly un-audited results      | Before 15 <sup>th</sup> of November, 2021   |
| Third quarterly un-audited results       | Before 15 <sup>th</sup> February, 2022  |
| Fourth & Final quarterly audited results | Before end of May, 2022   |
| iii. Book Closure Date                   | 10 <sup>th</sup> September 2021 to 22 <sup>nd</sup> September, 2021   |
| iv. Dividend payment date                | On or before 20 <sup>th</sup> October 2021  |
| v. Listing on Stock Exchange.            | Bombay Stock Exchange Ltd.(BSE), National Stock Exchange of India Ltd. (NSE)  |
| vi. Stock Code:                          | BSE-530363, NSE- UGARSUGAR-EQ   |
| Dematerialization ISIN No.               | INE-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 as and when invoices raised by the Depository. |

**ix. Market Price Data High/ Low during each month of Financial Year 2020-21 at BSE &NSE**

| NSE    |            |           | BSE    |            |           |
|--------|------------|-----------|--------|------------|-----------|
| Months | High (Rs.) | Low (Rs.) | Months | High (Rs.) | Low (Rs.) |
| Apr-20 | 16.20      | 10.00     | Apr-20 | 16.25      | 10.15     |
| May-20 | 13.40      | 11.50     | May-20 | 13.90      | 11.65     |
| Jun-20 | 15.60      | 12.05     | Jun-20 | 16.00      | 12.30     |
| Jul-20 | 15.90      | 13.15     | Jul-20 | 15.68      | 13.43     |
| Aug-20 | 17.00      | 13.35     | Aug-20 | 17.00      | 13.33     |
| Sep-20 | 16.85      | 13.80     | Sep-20 | 16.50      | 13.80     |
| Oct-20 | 15.45      | 13.25     | Oct-20 | 16.50      | 13.50     |
| Nov-20 | 15.10      | 13.10     | Nov-20 | 15.10      | 13.10     |
| Dec-20 | 19.80      | 13.95     | Dec-20 | 19.55      | 13.98     |
| Jan-21 | 19.00      | 15.00     | Jan-21 | 19.00      | 15.35     |
| Feb-21 | 17.40      | 15.05     | Feb-21 | 17.60      | 14.95     |
| Mar-21 | 20.45      | 16.00     | Mar-21 | 20.50      | 15.95     |



Although the company is listed, our scripts 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 5<sup>th</sup> 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 31<sup>st</sup> March, 2021**

| No. of equity shares held | No. of Folios / Shareholders | No. of Shares held  | % of Share holding |
|---------------------------|------------------------------|---------------------|--------------------|
| Upto 5,000                | 28259                        | 2,62,75,651         | 23.36              |
| 5,001 to 10,000           | 1571                         | 1,15,88,970         | 10.30              |
| 10,001 to 20,000          | 618                          | 85,04,162           | 7.56               |
| 20,001 to 30,000          | 134                          | 32,95,574           | 2.93               |
| 30,001 to 40,000          | 43                           | 14,95,914           | 1.33               |
| 40,001 to 50,000          | 29                           | 13,10,115           | 1.16               |
| 50,001 to 1,00,000        | 47                           | 33,68,659           | 2.99               |
| More than 1,00,000        | 60                           | 5,66,60,955         | 50.37              |
| <b>Total</b>              | <b>30761</b>                 | <b>11,25,00,000</b> | <b>100.00</b>      |

**xii. Shareholding Pattern as on 31<sup>st</sup> March, 2021.**

| Category  | No. of Share held   | % of Total Share holding |
|---|---------------------|--------------------------|
| Promoter Group  | 5,05,85,875         | 44.97                    |
| Banks, Financial Institutions, Insurance Companies,                         | 2,880               | 0.00                     |
| Foreign Financial Institutions  | 0.00                | 0.00                     |
| IEPF  | 3,02,531            | 0.27                     |
| Indian Public   | 5,47,80,101         | 48.69                    |
| Other (incl. N. R. I., Private Corporate Bodies and Trust, Clearing Member) | 68,28,613           | 6.07                     |
| G. D. R. / A. D. R.   | 0.00                | 0.00                     |
| <b>Total</b>  | <b>11,25,00,000</b> | <b>100.00</b>            |

**xiii. Other Information:**

|   |   |
|---|---|
| Dematerialization of shares                                 | Nearly 83.76% of total equity share capital (9,42,30,866eq. shares) is held in dematerialized form with NSDL and CDSL as on 31 <sup>st</sup> March, 2021.   |
| Registrar and Share Transfer Agent:                         | Bigshare Services Pvt. Limited.<br>1 <sup>st</sup> Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road,<br>Marol, Andheri East, MUMBAI – 400 059. (MAH)<br>Ph. No. 022-62638200, Fax No. 022-62638299 |
| <b>Plant Locations:</b><br>Sugar, Distillery, Co-Generation | UgarKhurd – 591 316.<br>Tal. Athani Dist. Belgaum, Karnataka.   |
| Jewargi Unit –Sugar & Co-generation:                        | Malli, Taluka – Jewargi, Dist- Kalaburgi, Karnataka.  |
| Address for correspondence<br>Registered Office:            | The Ugar Sugar Works Limited.<br>Mahaveernagar (Wakharbhag), Sangli 416416,<br>Maharashtra State.<br>Ph. No. 0233-2623717 Fax: 2623617<br>Email: usw.sangli@ugarsugar.com   |
| Factory (Administrative Office)                             | The Ugar Sugar Works Limited.<br>Ugarkhurd – 591 316.<br>Tal. Athani, Dist. Belgaum, Karnataka State.<br>Ph. No. 08339-274000 Fax: 272232<br>Email: helpdesk@ugarsugar.com<br>Company Website: www.ugarsugar.com    |
| Credit Rating   | We have obtained credit rating from CRISIL. Our current Credit rating is CRISIL BB+/Stable (upgraded from CRISIL BB/Stable)   |



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

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

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

Company has paid Fine of Rs. 3,39,250/- to Bombay Stock Exchange for delay in submission of PDF scan copy of the financial results for the Quarter ended September, 2017 under Regulation 33 of SEBI (LODR)2015.

**Reply :** Company has submitted the Financial Results for September, 2017 Quarter in XBRL Format within the stipulated time, however, there was delay in forwarding the PDF Scan Copies due to the technical issues with the System. The Company had given a letter for waiver of penalty to BSE and BSE has waived Rs. 1,77,000/- out of Rs. 5,16,250/- and the Company has paid the balance amount as penalty during year 2018-19.

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

- c) web link where policy for determining 'material' subsidiaries is disclosed:  
[http://web.ugarsugar.com/Investor\\_Relations/Corporate\\_Governance/PolicyMaterialSubsidiary.pdf?child=14&parent=9](http://web.ugarsugar.com/Investor_Relations/Corporate_Governance/PolicyMaterialSubsidiary.pdf?child=14&parent=9)

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

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

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

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

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

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

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

- g) Where the Board had not accepted any recommendation of any committee of the Board which is mandatorily required in the relevant Financial Year: Not Applicable.

- h) Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part.:

Total fees paid to the Statutory Auditors and an entity in their network firm for all services received by the Company during the financial year 2020-21 is Rs.12.32 Lakh and the statutory auditors of the Company do not have any network arrangement.

- i) Non-Compliance of Any Requirement of Corporate Governance Report –NIL

- j) Outstanding global depository receipts or American depository receipts or warrants or any convertible instruments, conversion date and likely impact on equity - NIL

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

**I. The Board**

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

**II. Shareholder Rights**

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

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

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

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

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

**V. Reporting of internal auditor**

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

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

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

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

|   |   |
|---|---|
| 1) aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year | No of Shareholder : 1056<br>No of outstanding Shares : 6,02,160 Equity Shares |
| 2) number of shareholders who approached listed entity for transfer of shares from suspense account during the year       | Nil   |
| 3) number of shareholders to whom shares were transferred from suspense account during the year                           | Nil   |
| 4) aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year       | No of Shareholder : 1056<br>No of outstanding Shares : 6,02,160 Equity Shares |
| 5) that the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares    | We confirm that voting rights on these outstanding shares has been frozen     |

As per our separate report attached.

**Niraj S. Shirgaokar**  
MD (DIN-00254525)

**Chandan S. Shirgaokar**  
MD (DIN-00208200)

Regd. Office : Mahaveer Nagar,  
Sangli – 416416.

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

**Tushar V. Deshpande**  
Company Secretary (ACS - 45586)

Date : 28-05-2021

**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 Shrikanta V. Bhat, Manager Finance (CFO) of The Ugar Sugar Works Ltd. (As required under Regulation 17(8) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015), to the best of our knowledge and belief, hereby certify that:

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

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

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

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

Regd. Office : Mahaveer Nagar,  
Sangli - 416416.

Date : 28-05-2021

## **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 31<sup>st</sup> March, 2021.

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

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

Place : Sangli  
Date : 28-05-2021

**Independent Auditor's Certificate on Compliance  
of conditions of Corporate Governance**

To  
The Members,  
The Ugar Sugar Works Limited,  
Mahaveer Nagar, Sangli -416 416

1. We have examined the compliance of conditions of corporate governance by The Ugar Sugar Works Limited ("the Company") for the year ended March 31, 2021 as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations").
2. The compliance of conditions of Corporate Governance is the responsibility of the Management of the company. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations.
3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
5. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
7. Based on our examination of the relevant records and according to the best of our information and explanations provided to us, we certify that the Company has complied with the conditions of regulations of Corporate Governance as stipulated in the above-mentioned Listing Regulations during the year ended March 31, 2021.
8. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.
9. The certificate is issued solely for the purpose of complying with the aforesaid SEBI Listing Regulations and may not be suitable for any other purpose.

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

**Parag Pansare**  
Partner  
Membership No. 117309  
UDIN:21117309AAAAJO4609

Place : Pune  
Date : 28-05-2021



**CERTIFICATE FROM COMPANY SECRETARY IN PRACTICE**

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

To,  
The Members,  
The Ugar Sugar Works Limited,  
Mahaveer Nagar,  
Sangli 416 416.

I hereby certify that, none of the directors on the Board of The Ugar Sugar Works Limited ("The Company") as at 31<sup>st</sup> March 2021, have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India or the Ministry of Corporate Affairs, Government Of India (MCA).

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

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

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

Place : Sangli  
Date : 28-05-2021

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

## 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, 2021, 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 Notes to the Standalone Financial Statements including 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, 2021, 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. For each matter below, our description of how our Audit addressed the matter is provided in that context. We have determined the matters described below to be the key audit matters to be communicated in our report.

| Sr. No. | Key Audit Matter   | How the matter was addressed in the audit  |
|---------|--|--|
| 1.      | <p><b>Accounting for Government Subsidy</b></p> <p>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.</p> <p>During the year the Company has recognised subsidy revenue of Rs. 4,555.82 Lakhs and subsidy receivable of Rs. 3,765.92 Lakhs which are significant to the Standalone Financial Statements.</p>   | <p>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.</p> <ul style="list-style-type: none"> <li>• 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.</li> <li>• We understood the basis of judgement that the Management has made in relation to the notification and subsequent evidence, as applicable.</li> <li>• We considered the notifications issued by Government of India’s Ministry of Consumer Affairs, Food &amp; Public Distribution to ascertain the appropriateness of the recognition of subsidy revenue and adjustments to subsidy receivables already recognised.</li> <li>• We tested the ageing of related receivables and assessed the information used by the Management to determine its recoverability.</li> </ul> <p>Based on above procedures performed, we concluded that the Government subsidy is appropriately accounted for.</p> |
| 2.      | <p><b>Contingent Liability</b></p> <p>The Company is involved in direct and indirect tax litigations of Rs. 728.99 Lakhs. The Company has also provided Corporate guarantee of Rs. 7,900 Lakhs to the Bankers for Harvesting and Transportation Loan.</p> <p>Whether the liability is recognized or disclosed as a contingent liability is inherently judgmental and dependent on assumptions and assessment. We placed specific focus on the judgements in respect to these demands against the Company. Determining the amount, if any, to be recognized or disclosed in the financial statements, is inherently subjective. Therefore, it is considered to be a key audit matter.</p> <p>(Refer Note D(1) to Standalone Financial Statements)</p> | <p>Our procedures included, but were not limited to, the following:</p> <ul style="list-style-type: none"> <li>• Obtained an understanding from the management with respect to process and controls followed by the Company for identification and monitoring of significant developments in relation to the litigations, including completeness thereof.</li> <li>• Obtained the list of litigations from the management and reviewed their assessment of the likelihood of outflow of economic resources being probable, possible or remote in respect of the litigations.</li> <li>• Assessed management’s discussions held with their legal consultants and understanding precedents in similar cases.</li> <li>• We verified the appropriateness of the accounting policies, disclosures related to provisions for sub judice matters and details of contingent liabilities in notes D(1) (b), (c) and (d) respectively in the Standalone financial statements</li> </ul>   |

| Sr. No. | Key Audit Matter   | How the matter was addressed in the audit   |
|---------|--|---|
| 3.      | <p><b>Valuation of Sugar Inventory</b></p> <p>Manufacturing of Sugar is complex process which leads to generation of certain joint products and by products which are used for generation of other products, sold in the market as well as used as input in the manufacturing of Sugar. The valuation requires use of management's judgements and assumptions regarding elimination of inter-divisional profits, allocation of costs of production between joint products based on their relative sales value and net realisable value (NRV) of different products which is further dependent upon the market conditions, minimum selling prices, subsequent inventory sale data, current sale prices, notifications/press releases from the government authorities, technical estimates of expected recovery of final products being produced and incremental cost of products manufactured using joint products. These assumptions are subject to inherent uncertainties since they are likely to be influenced by nature and economic factors including uncertainties that may affect the industry on the whole</p> <p>Owing to the significance of the carrying value of Sugar inventories (Rs. 56,189.06 Lakhs), the complexities discussed above and the fact that any changes in the management's judgement or assumptions is likely to have a significant impact on the ascertainment of carrying values of inventories, we have considered this area as a key audit matter.</p> | <p>We applied the following audit procedures in this area, among others, to obtain sufficient appropriate audit evidence:</p> <ul style="list-style-type: none"> <li>• Evaluated the accounting policy of sugar inventory in terms of relevant accounting standard;</li> <li>• Tested the design, implementation and operating effectiveness of the Company's key controls over computation of cost of sugar inventory for each sugar mill;</li> <li>• Assessed the appropriateness of the principles used in the valuation of Inventory and analysed the reasonableness of significant judgements/assumptions used by the management in their valuation models along with their consistency based on historical/industrial data trends such as sugar recovery rates, generation of Molasses and Bagasse.</li> <li>• Tested the cost sheet data of both Sugar Plant. We assessed the adequacy of the method used, relevance and reliability of data and the formula applied for determining the cost of sugar inventory. This included the basis of allocation of cost to by-products based on Net Realizable Value (NRV). In addition, we assessed the impact of notifications/orders of the regulators on cost of sugar inventory. For cost of conversion, we assessed the impact of variability in seasonal factors including number of Sugarcane crushing days and recovery of sugar from cane.</li> <li>• Attended the Physical Inventory verification for the year ended 31<sup>st</sup> March 2021 and performed test counts at both the Sugar Plant.</li> </ul> |

**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.

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

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. When we read Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's Information, If we conclude that there is a Material Misstatement therein, we are required to communicate the matter to those charged with Governance.

**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.

Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone 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 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 Section 143(3) of the Act, based on our audit we report, to the extent applicable that:

1. 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.
  2. 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.
  3. 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.
  4. 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.
  5. On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164(2) of the Act.
  6. 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.
2. 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 current year is in accordance with the provisions of section 197 read with Schedule V to the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.
3. 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 Standalone Financial Statements – Reference for the same is given in 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
4. 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.

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

**Parag Pansare**  
Partner  
Membership No. 117309  
UDIN : 21117309AAAAJM8882

Place : Pune  
Date : 28-05-2021

## **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”)

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, 2021 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 Company’s Management and Board of Directors are 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 authorizations 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 2021 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 Standalone Financial Statements of the Company for the year ended March 31, 2021, and these weaknesses do not affect our opinion on the Standalone Financial Statements of the company.

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

Place : Pune  
Date : 28-05-2021

**Parag Pansare**  
Partner  
Membership No. 117309  
UDIN : 21117309AAAAJM8882

## **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) (a) 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, Duty of Excise, 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, Duty of Excise, Goods & Service Tax, Cess and other material statutory dues were in arrears as at March 31, 2021 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 March 31, 2021 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                              | Commissioner of Central Excise, (GST) 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                             | 14.08                           | 2016-17                              | Commissioner of Central Excise,(GST) Belagavi  |
| Central Excise Act 1944 | Cenvat Credit Demand Issues                             | 1.30                            | 2015                                 | Commissioner of Central Excise,(GST) 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                              |
| Central Excise Act 1944 | Cenvat Credit Demand Issues                             | 91.47                           | Feb 2008 to Dec 2009                 | CESTAT, Bangalore                              |
| Central Excise Act 1944 | Cenvat Credit Demand Issues                             | 17.56                           | 2017-18                              | Commissioner of Central Excise,(GST) Belagavi  |
| Central Excise Act 1944 | Cenvat Credit Demand Issues                             | 2.50                            | 2010-11                              | Commissioner of Central Excise,(GST) Belagavi  |
| Central Excise Act 1944 | Cenvat Credit Demand Issues                             | 2.47                            | Oct 2014 to Aug 2015                 | Commissioner of Central Excise,(GST) Belagavi  |
| 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  | Entry Tax issues  | 20.14                           | AY 2011-12                           | Karnataka Appellate Tribunal, Bengaluru.       |

- (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 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 Registration No.105215W/W100057

**Parag Pansare**  
Partner  
Membership No. 117309  
UDIN : 21117309AAAAJM8882

Place : Pune  
Date : 28-05-2021

## 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, 2021, 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 Notes to the Standalone Financial Statements including 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, 2021, 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. For each matter below, our description of how our Audit addressed the matter is provided in that context. We have determined the matters described below to be the key audit matters to be communicated in our report.

| Sr. No. | Key Audit Matter   | How the matter was addressed in the audit  |
|---------|--|--|
| 1.      | <p><b>Accounting for Government Subsidy</b></p> <p>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.</p> <p>During the year the Company has recognised subsidy revenue of Rs. 4,555.82 Lakhs and subsidy receivable of Rs. 3,765.92 Lakhs which are significant to the Standalone Financial Statements.</p>   | <p>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.</p> <ul style="list-style-type: none"> <li>• 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.</li> <li>• We understood the basis of judgement that the Management has made in relation to the notification and subsequent evidence, as applicable.</li> <li>• We considered the notifications issued by Government of India’s Ministry of Consumer Affairs, Food &amp; Public Distribution to ascertain the appropriateness of the recognition of subsidy revenue and adjustments to subsidy receivables already recognised.</li> <li>• We tested the ageing of related receivables and assessed the information used by the Management to determine its recoverability.</li> </ul> <p>Based on above procedures performed, we concluded that the Government subsidy is appropriately accounted for.</p> |
| 2.      | <p><b>Contingent Liability</b></p> <p>The Company is involved in direct and indirect tax litigations of Rs. 728.99 Lakhs. The Company has also provided Corporate guarantee of Rs. 7,900 Lakhs to the Bankers for Harvesting and Transportation Loan.</p> <p>Whether the liability is recognized or disclosed as a contingent liability is inherently judgmental and dependent on assumptions and assessment. We placed specific focus on the judgements in respect to these demands against the Company. Determining the amount, if any, to be recognized or disclosed in the financial statements, is inherently subjective. Therefore, it is considered to be a key audit matter.</p> <p>(Refer Note D(1) to Standalone Financial Statements)</p> | <p>Our procedures included, but were not limited to, the following:</p> <ul style="list-style-type: none"> <li>• Obtained an understanding from the management with respect to process and controls followed by the Company for identification and monitoring of significant developments in relation to the litigations, including completeness thereof.</li> <li>• Obtained the list of litigations from the management and reviewed their assessment of the likelihood of outflow of economic resources being probable, possible or remote in respect of the litigations.</li> <li>• Assessed management’s discussions held with their legal consultants and understanding precedents in similar cases.</li> <li>• We verified the appropriateness of the accounting policies, disclosures related to provisions for sub judice matters and details of contingent liabilities in notes D(1) (b), (c) and (d) respectively in the Standalone financial statements</li> </ul>   |

| Sr. No. | Key Audit Matter   | How the matter was addressed in the audit   |
|---------|--|---|
| 3.      | <p><b>Valuation of Sugar Inventory</b></p> <p>Manufacturing of Sugar is complex process which leads to generation of certain joint products and by products which are used for generation of other products, sold in the market as well as used as input in the manufacturing of Sugar. The valuation requires use of management's judgements and assumptions regarding elimination of inter-divisional profits, allocation of costs of production between joint products based on their relative sales value and net realisable value (NRV) of different products which is further dependent upon the market conditions, minimum selling prices, subsequent inventory sale data, current sale prices, notifications/press releases from the government authorities, technical estimates of expected recovery of final products being produced and incremental cost of products manufactured using joint products. These assumptions are subject to inherent uncertainties since they are likely to be influenced by nature and economic factors including uncertainties that may affect the industry on the whole</p> <p>Owing to the significance of the carrying value of Sugar inventories (Rs. 56,189.06 Lakhs), the complexities discussed above and the fact that any changes in the management's judgement or assumptions is likely to have a significant impact on the ascertainment of carrying values of inventories, we have considered this area as a key audit matter.</p> | <p>We applied the following audit procedures in this area, among others, to obtain sufficient appropriate audit evidence:</p> <ul style="list-style-type: none"> <li>• Evaluated the accounting policy of sugar inventory in terms of relevant accounting standard;</li> <li>• Tested the design, implementation and operating effectiveness of the Company's key controls over computation of cost of sugar inventory for each sugar mill;</li> <li>• Assessed the appropriateness of the principles used in the valuation of Inventory and analysed the reasonableness of significant judgements/assumptions used by the management in their valuation models along with their consistency based on historical/industrial data trends such as sugar recovery rates, generation of Molasses and Bagasse.</li> <li>• Tested the cost sheet data of both Sugar Plant. We assessed the adequacy of the method used, relevance and reliability of data and the formula applied for determining the cost of sugar inventory. This included the basis of allocation of cost to by-products based on Net Realizable Value (NRV). In addition, we assessed the impact of notifications/orders of the regulators on cost of sugar inventory. For cost of conversion, we assessed the impact of variability in seasonal factors including number of Sugarcane crushing days and recovery of sugar from cane.</li> <li>• Attended the Physical Inventory verification for the year ended 31<sup>st</sup> March 2021 and performed test counts at both the Sugar Plant.</li> </ul> |



### **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.

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

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. When we read Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's Information, If we conclude that there is a Material Misstatement therein, we are required to communicate the matter to those charged with Governance.

### **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.

Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone 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 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 Section 143(3) of the Act, based on our audit we report, to the extent applicable that:

1. 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.
  2. 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.
  3. 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.
  4. 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.
  5. On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164(2) of the Act.
  6. 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.
2. 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 current year is in accordance with the provisions of section 197 read with Schedule V to the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.
3. 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 Standalone Financial Statements – Reference for the same is given in 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
4. 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.

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

**Parag Pansare**  
Partner  
Membership No. 117309  
UDIN : 21117309AAAAJM8882

Place : Pune  
Date : 28-05-2021

## **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”)

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, 2021 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 Company’s Management and Board of Directors are 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 authorizations 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 2021 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 Standalone Financial Statements of the Company for the year ended March 31, 2021, and these weaknesses do not affect our opinion on the Standalone Financial Statements of the company.

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

Place : Pune  
Date : 28-05-2021

**Parag Pansare**  
Partner  
Membership No. 117309  
UDIN : 21117309AAAAJM8882



## **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) (a) 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, Duty of Excise, 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, Duty of Excise, Goods & Service Tax, Cess and other material statutory dues were in arrears as at March 31, 2021 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 March 31, 2021 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                              | Commissioner of Central Excise, (GST) 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                             | 14.08                           | 2016-17                              | Commissioner of Central Excise,(GST) Belagavi  |
| Central Excise Act 1944 | Cenvat Credit Demand Issues                             | 1.30                            | 2015                                 | Commissioner of Central Excise,(GST) 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                              |
| Central Excise Act 1944 | Cenvat Credit Demand Issues                             | 91.47                           | Feb 2008 to Dec 2009                 | CESTAT, Bangalore                              |
| Central Excise Act 1944 | Cenvat Credit Demand Issues                             | 17.56                           | 2017-18                              | Commissioner of Central Excise,(GST) Belagavi  |
| Central Excise Act 1944 | Cenvat Credit Demand Issues                             | 2.50                            | 2010-11                              | Commissioner of Central Excise,(GST) Belagavi  |
| Central Excise Act 1944 | Cenvat Credit Demand Issues                             | 2.47                            | Oct 2014 to Aug 2015                 | Commissioner of Central Excise,(GST) Belagavi  |
| 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  | Entry Tax issues  | 20.14                           | AY 2011-12                           | Karnataka Appellate Tribunal, Bengaluru.       |

- (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 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 Registration No.105215W/W100057

**Parag Pansare**  
Partner  
Membership No. 117309  
UDIN : 21117309AAAAJM8882

Place : Pune  
Date : 28-05-2021

**Standalone Balance Sheet as at 31<sup>st</sup> March, 2021**

(Amount in Rs. Lakhs)

| Particulars                          | Ref. to<br>Notes | As At<br>31 March 2021 | As At<br>31 March 2020 |
|--------------------------------------|------------------|------------------------|------------------------|
| <b>ASSETS</b>                        |                  |                        |                        |
| Non-current Assets                   |                  |                        |                        |
| Tangible Assets                      |                  |                        |                        |
| Property, plant and equipment        | 1A               | 12,662.95              | 13,556.43              |
| Capital work in progress             | 1A               | 259.61                 | 84.54                  |
| Investment property                  | 1B               | 7.56                   | 8.04                   |
| Intangible Assets                    |                  |                        |                        |
| Other Intangible assets              | 2                | 2.80                   | 5.27                   |
| Financial assets                     |                  |                        |                        |
| Non - Current Investments            | 3A               | 420.53                 | 418.35                 |
| Non - Current Loans & Advances       | 4A               | 3.50                   | 3.50                   |
| Other Non - Current Financial Assets | 5A               | 64.66                  | 63.97                  |
| Other non-current assets             | 6                | 381.02                 | 362.08                 |
| Current Assets                       |                  |                        |                        |
| Inventories                          | 7                | 63,511.28              | 58,776.68              |
| Financial Assets                     |                  |                        |                        |
| Trade receivables                    | 8                | 4,927.65               | 1,153.54               |
| Cash and cash equivalents            | 9A               | 536.02                 | 990.60                 |
| Bank balances other than above       | 9B               | 128.69                 | 141.57                 |
| Other current financial assets       | 5B               | 6.01                   | 6.83                   |
| Current Tax Assets (net)             | 10               | 100.85                 | 459.17                 |
| Other current assets                 | 11               | 6,195.61               | 6,956.55               |
| <b>Total</b>                         |                  | <b>89,208.74</b>       | <b>82,987.12</b>       |
| <b>EQUITY AND LIABILITIES</b>        |                  |                        |                        |
| Equity                               |                  |                        |                        |
| Equity Share Capital                 | 12               | 1,125.00               | 1,125.00               |
| Other Equity                         |                  |                        |                        |
| Share Premium                        | 13A              | 1,575.00               | 1,575.00               |
| Retained Earnings                    | 13A              | 2,969.40               | 1,376.65               |
| Other Reserves                       | 13A              | 2,267.58               | 2,267.58               |
| Other Comprehensive Income           | 13B              | 3.20                   | 17.39                  |
| Non-current Liabilities              |                  |                        |                        |
| Financial Liabilities                |                  |                        |                        |
| Long Term Borrowings                 | 14A              | 7,038.43               | 4,848.25               |
| Long Term Provisions                 | 15A              | 371.76                 | 360.05                 |
| Deferred tax liabilities (Net)       | 16B              | 913.22                 | 1,075.20               |

**Standalone Balance Sheet as at 31<sup>st</sup> March, 2021**

(Amount in Rs. Lakhs)

| Particulars  | Ref. to<br>Notes | As At<br>31 March 2021 | As At<br>31 March 2020 |
|--|------------------|------------------------|------------------------|
| <b>EQUITY AND LIABILITIES</b>  |                  |                        |                        |
| Current Liabilities  |                  |                        |                        |
| Financial Liabilities  |                  |                        |                        |
| Borrowings   | 14B              | 43,937.90              | 36,619.77              |
| Trade payables   | 17A              |                        |                        |
| Total outstanding dues of micro enterprises<br>and small enterprises         |                  | 19.66                  | 17.28                  |
| Total outstanding dues other than micro<br>enterprises and small enterprises |                  | 11,517.06              | 17,101.24              |
| Other payables   | 17B              |                        |                        |
| Total outstanding dues of micro enterprises<br>and small enterprises         |                  |                        |                        |
| Total outstanding dues other than micro<br>enterprises and small enterprises |                  | 209.97                 | 178.89                 |
| Other financial liabilities  | 18               | 10,837.95              | 10,854.38              |
| Provisions   | 15B              | 1,459.31               | 1,464.65               |
| Other current liabilities  | 19               | 4,963.30               | 4,105.79               |
| <b>Total</b>   |                  | <b>89,208.74</b>       | <b>82,987.12</b>       |

See accompanying notes forming part of the financial statements

A to D

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

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

Place : Pune  
Date : 28-05-2021

**Niraj S. Shirgaokar**  
MD (DIN-00254525)

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

Place : Regd. office Sangli  
Date : 28-05-2021

**Chandan S. Shirgaokar**  
MD (DIN-00208200)

**Tushar V. Deshpande**  
Company Secretary  
(ACS - 45586)



**Standalone Statement of Profit and Loss Account for the year ending 31<sup>st</sup> March 2021**

(Amount in Rs. Lakhs)

| Particulars  | Ref. to<br>Notes | For the year ended<br>31 March 2021 | For the year ended<br>31 March 2020 |
|--|------------------|-------------------------------------|-------------------------------------|
| <b>Continuing Operations</b>   |                  |                                     |                                     |
| I Revenue From Operations  | 20               | 1,11,796.48                         | 1,01,101.18                         |
| II Other Income  | 21               | 585.20                              | 280.57                              |
| III <b>Total Income (I+II)</b>   |                  | <b>1,12,381.68</b>                  | <b>1,01,381.75</b>                  |
| IV Expenses  |                  |                                     |                                     |
| (a) Cost of materials consumed   | 22A              | 77,572.53                           | 57,243.99                           |
| (b) Other Manufacturing Expenses   | 22B              | 2,219.92                            | 2,389.03                            |
| (c) Purchases of Stock-in-Trade  | 23               | 3,930.52                            | 3,521.15                            |
| (d) Changes in inventories of finished goods,<br>Stock-in-Trade and work-in-progress         | 24               | (4,320.56)                          | 7,110.32                            |
| (e) Employee benefits expenses   | 25               | 6,948.12                            | 6,997.69                            |
| (f) Finance costs  | 26               | 4,261.31                            | 4,313.22                            |
| (g) Excise Duty on Goods Sold  |                  | 16,245.12                           | 14,062.76                           |
| (h) Depreciation and amortization expense  | 27               | 1,241.77                            | 1,374.05                            |
| (i) Other expenses   | 28               | 2,422.87                            | 2,979.04                            |
| <b>Total expenses (IV)</b>   |                  | <b>1,10,521.60</b>                  | <b>99,991.25</b>                    |
| V Profit/(loss) before exceptional items and tax<br>from continuing operations               |                  | 1,860.08                            | 1,390.50                            |
| VI Exceptional Items   |                  |                                     | -                                   |
| <b>Profit/(loss) before tax from continuing operations</b>                                   |                  | <b>1,860.08</b>                     | <b>1,390.50</b>                     |
| Tax expense:   |                  |                                     |                                     |
| (1) Current tax  | 16A              | 309.18                              | -                                   |
| (2) Deferred tax   | 16A              | (154.35)                            | 13.85                               |
| (3) Short/(Excess) Provision for earlier years   |                  | -                                   | -                                   |
| <b>Profit/(Loss) for the period</b>  |                  | <b>1,705.25</b>                     | <b>1,376.65</b>                     |
| <b>Other Comprehensive Income</b>  |                  |                                     |                                     |
| A. Other Comprehensive Income to be reclassified<br>to profit or loss in subsequent periods  |                  |                                     |                                     |
| (i) Items that will be reclassified to profit or loss  |                  | -                                   | -                                   |
| (ii) Income tax relating to items that will be<br>reclassified to profit or loss             |                  | -                                   | -                                   |
| Net Other Comprehensive Income to be reclassified<br>to profit or loss in subsequent periods |                  | -                                   | -                                   |

**Standalone Statement of Profit and Loss Account for the year ending 31<sup>st</sup> March 2021**

(Amount in Rs. Lakhs)

| Particulars   | Ref. to<br>Notes | For the year ended<br>31 March 2021 | For the year ended<br>31 March 2020 |
|---|------------------|-------------------------------------|-------------------------------------|
| B. Other Comprehensive Income not to be reclassified to profit or loss in subsequent periods  |                  |                                     |                                     |
| (i) Items that will not be reclassified to profit or loss                                     |                  | (21.82)                             | (197.21)                            |
| (ii) Income tax relating to items that will not be reclassified to profit or loss             | 16A              | 7.63                                | 68.91                               |
| Net Other Comprehensive Income not to be reclassified to profit or loss in subsequent periods |                  | (14.19)                             | (128.30)                            |
| <b>Other Comprehensive Income (net of tax)</b>  |                  | <b>(14.19)</b>                      | <b>(128.30)</b>                     |
| <b>Total Comprehensive Income for the year (net of tax)</b>                                   |                  | <b>1,691.06</b>                     | <b>1,248.36</b>                     |
| <b>Earnings per share (Nominal Value per share Rs. 1)</b>                                     |                  |                                     |                                     |
| Basic computed on the basis of profit   |                  | 1.52                                | 1.22                                |
| Diluted computed on the basis of profit   |                  | 1.52                                | 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 : 28-05-2021

**Niraj S. Shirgaokar**

MD (DIN-00254525)

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

Place : Regd. office Sangli

Date : 28-05-2021

**Chandan S. Shirgaokar**

MD (DIN-00208200)

**Tushar V. Deshpande**Company Secretary  
(ACS - 45586)

**Standalone Statement Of Cash Flows For The Year Ended 31<sup>st</sup> March 2021**

(Amount in Rs. Lakhs)

| Particulars  | For the year ended<br>31 March 2021 | For the year ended<br>31 March 2020 |
|--|-------------------------------------|-------------------------------------|
| A. Net profit before tax and extraordinary items                         | 1,860.08                            | 1,390.50                            |
| Adjustment for:  |                                     |                                     |
| Depreciation and amortization expense                                    | 1,241.77                            | 1,374.05                            |
| Provision for Doubtful Debts   | 6.03                                | 123.85                              |
| Bad debts and Sundry Advances Written off                                | 21.67                               | 2.15                                |
| Loss/Gain on Disposal/Adjustment of PPE                                  | 15.49                               | 291.46                              |
| Finance Costs  | 4,261.31                            | 4,313.22                            |
| Unrealised Loss on Units and Preference Shares                           | 4.60                                | 3.41                                |
| Investment Income  | (67.94)                             | (13.01)                             |
| <b>Operating profit before working capital changes</b>                   | <b>7,343.01</b>                     | <b>7,485.63</b>                     |
| Decrease/ (Increase) in trade receivables, advances and other assets     | (2,970.09)                          | (2,689.29)                          |
| Decrease/ (Increase) in Inventories                                      | (4,734.60)                          | 6,940.87                            |
| Increase/ (Decrease) in trade payables, provisions and other liabilities | (7,462.30)                          | (7,275.26)                          |
| Cash Generated from operations   | (7,823.98)                          | 4,461.95                            |
| Direct Tax paid (Net of Refund)  | 49.14                               | (2.59)                              |
| Cash flow before extraordinary items                                     | (7,774.84)                          | 4,459.36                            |
| Extraordinary items  | -                                   | -                                   |
| Net cash from Operating activities                                       | (7,774.84)                          | 4,459.36                            |
| B. Cash flow from investing activities                                   |                                     |                                     |
| Purchase of property, plant and equipment                                | (611.77)                            | (134.33)                            |
| Purchase / Sale of Investments   | (1.04)                              | (0.73)                              |
| Advance Given for Investment   | (5.75)                              | -                                   |
| Interest and Dividend received   | 67.12                               | 10.08                               |
| Net cash from investing activities                                       | (551.44)                            | (124.98)                            |
| C. Cash flow from financing activities                                   |                                     |                                     |
| Interest paid  | (4,189.16)                          | (4,302.72)                          |
| Proceeds / (Repayment) from long term borrowings (net)                   | 4,855.23                            | 4,848.25                            |
| Proceeds / (Repayment) from short term borrowings (net)                  | 7,318.13                            | (4,234.67)                          |
| Dividend Paid  | (112.50)                            | -                                   |
| Net cash from Financing activities                                       | 7,871.70                            | (3,689.14)                          |
| D. Net increase/(decrease) in Cash and Cash equivalents (A+B+C)          | (454.58)                            | 645.24                              |
| E. Opening Cash and Cash equivalents                                     | 990.60                              | 345.36                              |
| F. Closing Cash and Cash equivalents                                     | 536.02                              | 990.60                              |

**Notes to Cash Flow Statement**

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

As per our separate report of even date.

For **M/s Kirtane & Pandit LLP**  
Chartered Accountants  
Firm Regn. No. 105215W/W100057

**Parag Pansare**

Partner

Memb. No. 117309

Place : Pune

Date : 28-05-2021

**Niraj S. Shirgaokar**  
MD (DIN-00254525)

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

**Chandan S. Shirgaokar**  
MD (DIN-00208200)

**Tushar V. Deshpande**  
Company Secretary  
(ACS - 45586)

Place : Regd. office Sangli

Date : 28-05-2021

**Statement of Changes in Other Equity For the year ended 31<sup>st</sup> March 2021**

(Amount in Rs. Lakhs)

| Particulars   | Equity Share Capital | Reserves and Surplus |                 |                   | Items of OCI |          | Total           |
|---|----------------------|----------------------|-----------------|-------------------|--------------|----------|-----------------|
|   |                      | Share Premium        | General Reserve | Retained Earnings | Others       |          |                 |
| As at 1 <sup>st</sup> April 2019                      | 1,125.00             | 1,575.00             | 8,351.31        | (6,083.73)        | 145.68       |          | 5,113.26        |
| Profit for the period                                 |                      |                      |                 | 1,376.65          |              |          | 1,376.65        |
| Acturial (Loss) Net of Tax                            |                      |                      |                 |                   | (128.29)     |          | (128.29)        |
| 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)      |
| <b>As at 31<sup>st</sup> March 2020</b>               | <b>1,125.00</b>      | <b>1,575.00</b>      | <b>2,267.58</b> | <b>1,376.65</b>   | <b>17.39</b> |          | <b>6,361.62</b> |
| Less : Dividend for F.Y. 2019-20 paid during the year |                      |                      |                 |                   |              | (112.50) | (112.50)        |
| Profit for the period                                 |                      |                      |                 |                   |              |          |                 |
| Acturial (Loss) Net of Tax                            |                      |                      |                 |                   |              | 1,705.25 | 1,705.25        |
|   |                      |                      |                 |                   |              | (14.19)  | (14.19)         |
| <b>As at 31<sup>st</sup> March 2021</b>               | <b>1,125.00</b>      | <b>1,575.00</b>      | <b>2,267.58</b> | <b>2,969.40</b>   | <b>3.20</b>  |          | <b>7,940.18</b> |

As per our separate report of even date.

**For M/s Kirtane & Pandit LLP**

Chartered Accountants

Firm Regn. No. 105215W/W100057

**Parag Pansare**

Partner

Memb. No. 117309

Place : Pune

Date : 28-05-2021

**Niraj S. Shirgaokar**  
MD (DIN-00254525)**Chandan S. Shirgaokar**  
MD (DIN-00208200)**Shrikanta V. Bhat**  
Manager-Finance  
(ACA-222060)**Tushar V. Deshpande**  
Company Secretary  
(ACS - 45586)

Place : Regd. office Sangli

Date : 28-05-2021

## Notes to Standalone financial statements for the year ended 31<sup>st</sup> March, 2021

### Note No. 1 Tangible Assets

#### 1A. Property Plant and Equipment

| Particulars   | (Amount in Rs. Lakhs) |          |                              |                   |          |                                   |                          |
|---|-----------------------|----------|------------------------------|-------------------|----------|-----------------------------------|--------------------------|
|   | Free hold Land        | Building | Plant and Equipments (owned) | Office Equipments | Vehicles | Total Property Plant & Equipments | Capital Work in Progress |
| <b>Cost or Valuation</b>                                  |                       |          |                              |                   |          |                                   |                          |
| 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     | 50.31                             | 103.68                   |
| Disposal/Adjustment 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                    | 494.95            | 955.38   | 50,416.75                         | 84.54                    |
| Balance as on 31 March 2020                               | 433.50                | 3,514.52 | 45,018.40                    | 494.95            | 955.38   | 50,416.75                         | 84.54                    |
| Additions during 01 April 2020 to 31 March 2021           | -                     | 12.38    | 243.35                       | 17.45             | 38.47    | 311.65                            | 254.99                   |
| Disposal/Adjustment during 01 April 2020 to 31 March 2021 | -                     | (28.75)  | (53.73)                      | -                 | (13.10)  | (95.58)                           | (79.92)                  |
| Balance as on 31 March 2021                               | 433.50                | 3,498.15 | 45,208.02                    | 512.40            | 980.75   | 50,632.82                         | 259.61                   |
| <b>Accumulated Depreciation</b>                           |                       |          |                              |                   |          |                                   |                          |
| Balance as on 31 March 2019                               | -                     | 2,128.70 | 32,707.90                    | 419.04            | 747.37   | 36,003.01                         | -                        |
| Depreciation charge for the year ended 31 March 2020      | -                     | 84.44    | 1,195.47                     | 25.75             | 60.25    | 1,365.91                          | -                        |
| Disposal/Adjustment during 01 April 2019 to 31 March 2020 | -                     | 1.03     | (1,007.17)                   | 0.65              | 0.03     | (1,005.46)                        | -                        |
| Balance as on 31 March 2019                               | -                     | 2,214.17 | 32,896.20                    | 445.44            | 807.65   | 36,363.46                         | -                        |
| Depreciation charge for the year ended 31 March 2021      | -                     | 78.58    | 1,091.58                     | 22.00             | 44.59    | 1,236.75                          | -                        |
| Disposal/Adjustment during 01 April 2020 to 31 March 2021 | -                     | (28.06)  | (86.66)                      | -                 | (12.48)  | (127.20)                          | -                        |
| Balance as on 31 March 2021                               | -                     | 2,264.69 | 33,901.12                    | 467.44            | 839.76   | 37,473.01                         | -                        |
| <b>Impairment of Assets</b>                               |                       |          |                              |                   |          |                                   |                          |
| Balance as on 01 April 2019                               | -                     | -        | -                            | -                 | -        | -                                 | -                        |
| Change for the Year 2019-20                               | -                     | -        | 496.86                       | -                 | -        | 496.86                            | -                        |
| Balance as on 31 March 2020                               | -                     | -        | 496.86                       | -                 | -        | 496.86                            | -                        |
| Change for the Year 2020-21                               | -                     | -        | -                            | -                 | -        | -                                 | -                        |
| Balance as on 31 March 2021                               | -                     | -        | 496.86                       | -                 | -        | 496.86                            | -                        |
| <b>Net Book Value</b>                                     |                       |          |                              |                   |          |                                   |                          |
| As on 01.04.2019  | 433.50                | 1,385.82 | 13,071.29                    | 61.66             | 205.97   | 15,158.24                         | 42.11                    |
| As on 31.03.2020  | 433.50                | 1,300.35 | 11,625.33                    | 49.51             | 147.73   | 13,556.43                         | 84.54                    |
| As on 31.03.2021  | 433.50                | 1,233.46 | 10,810.04                    | 44.96             | 140.99   | 12,662.95                         | 259.61                   |



**Notes to Financial Statements for the Financial Year Ended 31-03-2021**

| <b>1B. Investment Property</b>   |               | (Amount in Rs. Lakhs) |
|--|---------------|-----------------------|
| <b>Particulars</b>   | <b>Amount</b> |                       |
| Cost   |               |                       |
| Balance as on 01 April 2019  |               | <b>29.82</b>          |
| Additions (subsequent expenditure) during 01 April 2019 to 31 March 2020 |               | –                     |
| Balance as on 31 March 2020  |               | 29.82                 |
| Additions (subsequent expenditure) during 01 April 2020 to 31 March 2021 |               | –                     |
| Balance as on 31 March 2021  |               | 29.82                 |
| Accumulated Depreciation   |               |                       |
| Balance as on 01 April 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                 |
| Depreciation charge for the year ended 31 March 2021                     |               | 0.48                  |
| Impairment for the year ended 31 March 2021                              |               | –                     |
| Balance as on 31 March 2021  |               | 22.26                 |
| Net Book Value   |               |                       |
| As on 01.04.2019   |               | 8.56                  |
| As on 31.03.2020   |               | 8.04                  |
| <b>As on 31.03.2021</b>  |               | <b>7.56</b>           |

| <b>Note No. 2 Intangible Assets</b>                        |                          | (Amount in Rs. Lakhs) |
|--|--------------------------|-----------------------|
| <b>Particulars</b>   | <b>Computer Software</b> |                       |
| Cost   |                          |                       |
| Balance as on 31 March 2019                                |                          | 203.53                |
| Additions during 01 April 2019 to 31 March 2020            |                          | –                     |
| Adjustment/Disposals during 01 April 2019 to 31 March 2020 |                          |                       |
| Balance as on 31 March 2020                                |                          | 203.53                |
| Additions during 01 April 2020 to 31 March 2021            |                          | 2.07                  |
| Adjustment/Disposals during 01 April 2020 to 31 March 2021 |                          | –                     |
| Balance as on 31 March 2021                                |                          | 205.60                |
| Accumulated Amortisation and impairment                    |                          |                       |
| Balance as on 1 April 2019                                 |                          | 185.39                |
| Amortisation during 1 April 2019 to 31 March 2020          |                          | 7.63                  |
| Impairment during 1 April 2019 to 31 March 2020            |                          | 5.24                  |
| Balance as on 31 March 2020                                |                          | 198.26                |
| Amortisation during 1 April 2020 to 31 March 2021          |                          | 4.54                  |
| Impairment during 01 April 2020 to 31 March 2021           |                          | –                     |
| Balance as on 31 March 2021                                |                          | 202.80                |
| Net Book Value   |                          |                       |
| As on 01.04.2019   |                          | 18.14                 |
| As on 31.03.2020   |                          | 5.27                  |
| As on 31.03.2021   |                          | 2.80                  |

**Notes to Financial Statements for the Financial Year Ended 31-03-2021**

| <b>Note No. 3A : Non Current Investments</b>  |                                | (Amount in Rs. Lakhs)          |  |
|---|--------------------------------|--------------------------------|--|
| <b>Particulars</b>  | <b>As on<br/>31 March 2021</b> | <b>As on<br/>31 March 2020</b> |  |
| <b>Investments at Fair Value through Profit and Loss</b>  |                                |                                |  |
| a. Investment in Mutual Funds<br>42634.70 (40,837.91) Units of Rs. 10 each of UTI<br>Balanced Fund (At NAV)   | 12.52                          | 7.78                           |  |
| b. Investment in Preference Shares<br>(ii) 4,75,000 (4,75,000) 10% Cumulative Redeemable<br>Preference Shares of Rs. 100 each of<br>Synergy Green Industries Ltd. (At Fair Value) | 348.56                         | 356.87                         |  |
| <b>Investments at Cost</b>  |                                |                                |  |
| a. Investment in Unquoted Preference Shares<br>(i) 10,00,000 (10,00,000) 8% Cumulative Redeemable Preference<br>Shares of Rs. 10 each of Ugar Quality Packaging Ltd.              | 100.00                         | 100.00                         |  |
| b. Investment in Unquoted Equity Shares<br>(i) 2274 (2,274) Equity Shares of Rs. 100 each of<br>Ugar Theatres Pvt. Ltd.   | 48.68                          | 48.68                          |  |
| (ii) 2,27,500 (2,27,500) Equity Shares of Rs. 10 each of<br>Ugar Quality Packaging Pvt. Ltd.  | 22.75                          | 22.75                          |  |
| (iii) 3,750 (3,750) Shares of Rs. 10 each of Sangli Urban<br>Co-operative Bank Ltd.   | 5.00                           | 5.00                           |  |
| (iv) 30 (30) Shares of Rs. 50 each of Dombivali<br>Nagari Sahakari Bank   | 0.02                           | 0.02                           |  |
| <b>Sub-Total</b>  | <b>76.45</b>                   | <b>76.45</b>                   |  |
| <b>Advance against Purchase of Shares</b>   |                                |                                |  |
| (i) Dombivali Nagari Sahakari Bank  | 5.75                           | –                              |  |
| <b>Sub-Total</b>  | <b>5.75</b>                    | <b>–</b>                       |  |
| <b>Provision for diminution in value of investments</b>   | <b>(122.75)</b>                | <b>(122.75)</b>                |  |
| <b>Total</b>  | <b>420.53</b>                  | <b>418.35</b>                  |  |
| Aggregate book value of quoted Investments  | 12.52                          | 7.78                           |  |
| Aggregate market value of quoted Investments  | 12.52                          | 7.78                           |  |
| Aggregate value of unquoted Investments   | 525.01                         | 533.32                         |  |
| Aggregate amount of impairment in the value of Investments  | (122.75)                       | (122.75)                       |  |

**Notes to Financial Statements for the Financial Year Ended 31-03-2021**

| <b>Note No. 4A : Non Current Loans &amp; Advances</b> (Amount in Rs. Lakhs) |                                |                                |
|---|--------------------------------|--------------------------------|
| <b>Particulars</b>  | <b>As on<br/>31 March 2021</b> | <i>As on<br/>31 March 2020</i> |
| Advance to Trusts - Babukaka Shirgaokar Tech. Edu. Trust                    | 3.50                           | 3.50                           |
| <b>Total</b>  | <b>3.50</b>                    | <b>3.50</b>                    |

| <b>Note No. 5A : Other Non Current Financial Assets</b> (Amount in Rs. Lakhs) |                                |                                |
|---|--------------------------------|--------------------------------|
| <b>Particulars</b>  | <b>As on<br/>31 March 2021</b> | <i>As on<br/>31 March 2020</i> |
| Security Deposits considered good   | 64.66                          | 63.97                          |
| Considered Doubtful   | 28.00                          | 28.00                          |
| <b>Sub-Total</b>  | <b>92.66</b>                   | <b>91.97</b>                   |
| Less: Provision for Doubtful  | (28.00)                        | (28.00)                        |
| <b>Total</b>  | <b>64.66</b>                   | <b>63.97</b>                   |

| <b>Note No. 5B : Other Current Financial Assets</b> (Amount in Rs. Lakhs) |                                |                                |
|---|--------------------------------|--------------------------------|
| <b>Particulars</b>  | <b>As on<br/>31 March 2021</b> | <i>As on<br/>31 March 2020</i> |
| Accrued Interest on Bank Deposits & Advances                              | 6.01                           | 6.83                           |
| <b>Total</b>  | <b>6.01</b>                    | <b>6.83</b>                    |

| <b>Note No. 6 - Other Non Current Assets</b> (Amount in Rs. Lakhs) |                                |                                |
|--|--------------------------------|--------------------------------|
| <b>Particulars</b>   | <b>As on<br/>31 March 2021</b> | <i>As on<br/>31 March 2020</i> |
| Long Term Receivables (Unsecured, Considered Good)                 |                                |                                |
| Indirect Tax Receivable (Paid under Protest)                       | 42.45                          | 45.31                          |
| Capital Advance Paid to Others                                     | 283.56                         | 263.76                         |
| Security deposits with Government Authorities                      | 55.01                          | 53.01                          |
| <b>Total</b>   | <b>381.02</b>                  | <b>362.08</b>                  |

**Notes to Financial Statements for the Financial Year Ended 31-03-2021**

| <b>Note No. 7 - Inventories</b>                              |                                | (Amount in Rs. Lakhs)          |  |
|--|--------------------------------|--------------------------------|--|
| <b>(Refer Note C (i) of Significant Accounting Policies)</b> |                                |                                |  |
| <b>Particulars</b>   | <b>As on<br/>31 March 2021</b> | <b>As on<br/>31 March 2020</b> |  |
| <b>Raw material</b>  |                                |                                |  |
| Crop in Progress   | 22.02                          | 10.57                          |  |
| Other Raw Material   | 123.92                         | 107.87                         |  |
| <b>Finished Goods</b>  |                                |                                |  |
| Sugar, Molasses and Spirit                                   | 61,237.87                      | 56,746.43                      |  |
| Bagasse- Own   | 956.60                         | 628.73                         |  |
| <b>Stock in Trade</b>  |                                |                                |  |
| Petroleum Products   | 64.39                          | 76.12                          |  |
| <b>Stores, Spare Parts and Others</b>                        | 1,106.48                       | 1,206.96                       |  |
| <b>Total</b>   | <b>63,511.28</b>               | <b>58,776.68</b>               |  |

| <b>Note No. 8 : Trade Receivables</b>                     |                                | (Amount in Rs. Lakhs)          |  |
|---|--------------------------------|--------------------------------|--|
| <b>Particulars</b>  | <b>As on<br/>31 March 2021</b> | <b>As on<br/>31 March 2020</b> |  |
| <b>Trade Receivable</b>                                   |                                |                                |  |
| Considered Good   | 4,927.65                       | 1,153.54                       |  |
| Which have significant increase in credit risk (Doubtful) | 125.57                         | 187.44                         |  |
| <b>Sub-Total</b>  | <b>5,053.22</b>                | <b>1,340.98</b>                |  |
| Less : Provision for Doubtful debts                       | (125.57)                       | (187.44)                       |  |
| <b>Total Trade Receivables</b>                            | <b>4,927.65</b>                | <b>1,153.54</b>                |  |

| <b>Note No. 9A : Cash &amp; Cash Equivalents</b> |                                | (Amount in Rs. Lakhs)          |  |
|--|--------------------------------|--------------------------------|--|
| <b>Particulars</b>                               | <b>As on<br/>31 March 2021</b> | <b>As on<br/>31 March 2020</b> |  |
| Cash in Hand                                     | 15.12                          | 16.41                          |  |
| Balances with banks in Current Accounts          | 520.90                         | 974.19                         |  |
| <b>Total</b>                                     | <b>536.02</b>                  | <b>990.60</b>                  |  |

**Notes to Financial Statements for the Financial Year Ended 31-03-2021**

| <b>Note No. 9B : Bank balances other than above</b> (Amount in Rs. Lakhs) |                                |                                |
|---|--------------------------------|--------------------------------|
| <b>Particulars</b>  | <b>As on<br/>31 March 2021</b> | <b>As on<br/>31 March 2020</b> |
| Unclaimed Dividend Account  | 30.68                          | 31.30                          |
| <b>Balances in Term Deposits :</b>  |                                |                                |
| - For Issue of bank gurantees   | 98.01                          | 110.27                         |
| <b>Total</b>  | <b>128.69</b>                  | <b>141.57</b>                  |

| <b>Note No. 10 : Current Tax Assets (Net)</b> (Amount in Rs. Lakhs) |                                |                                |
|---|--------------------------------|--------------------------------|
| <b>Particulars</b>  | <b>As on<br/>31 March 2021</b> | <b>As on<br/>31 March 2020</b> |
| Advance Payment of Taxes  | 2,366.79                       | 2,415.93                       |
| MAT Credit Receivable   | 407.24                         | 407.24                         |
| <b>Sub-Total</b>  | <b>2,774.03</b>                | <b>2,823.17</b>                |
| Less : Tax Provision  | (2,673.18)                     | (2,364.00)                     |
| <b>Total</b>  | <b>100.85</b>                  | <b>459.17</b>                  |

| <b>Note No. 11 : Other Current Assets</b> (Amount in Rs. Lakhs) |                                |                                |
|---|--------------------------------|--------------------------------|
| <b>Particulars</b>  | <b>As on<br/>31 March 2021</b> | <b>As on<br/>31 March 2020</b> |
| Balances with Government Authorities                            | 162.23                         | 168.25                         |
| <b>Advances to Cultivators and Cane-Growers</b>                 |                                |                                |
| Considered Good   | 1,379.70                       | 1,316.38                       |
| Considered Doubtful   | 357.01                         | 289.12                         |
| <b>Sub-Total</b>  | <b>1,736.71</b>                | <b>1,605.50</b>                |
| Less: Provision for Doubtful Advances                           | (357.01)                       | (289.12)                       |
| <b>Sub-Total</b>  | <b>1,379.70</b>                | <b>1,316.38</b>                |
| Advances to Employees   | 88.85                          | 63.88                          |
| Advances for Capital Goods & Spares                             | 58.55                          | 2.46                           |
| Advances for Materials & Services                               | 79.91                          | 106.66                         |
| Advances for Others   | 75.80                          | 49.28                          |
| <b>Sub-Total</b>  | <b>303.11</b>                  | <b>222.28</b>                  |
| Subsidy Receivable from Government                              | 3,765.92                       | 5,003.60                       |
| Prepaid expenses  | 93.57                          | 88.90                          |
| Interest Subvention - Receivable from Banks                     | 491.08                         | 153.45                         |
| Transport Subsidy Receivable                                    | -                              | 3.69                           |
| <b>Total</b>  | <b>6,195.61</b>                | <b>6,956.55</b>                |

**Notes to Financial Statements for the Financial Year Ended 31-03-2021**

| <b>Note No. 12 : Share Capital</b> |                      |                        |
|------------------------------------|----------------------|------------------------|
| <b>Authorised Share Capital</b>    |                      | (Amounts in Rs. Lakhs) |
| <b>Particulars</b>                 | <b>Equity Shares</b> |                        |
|                                    | <b>No.</b>           |                        |
|                                    | <b>31 March 2021</b> | <i>31 March 2020</i>   |
| At 31 March 2020                   | 2,000.00             | 2,000.00               |
| Increase during the year           | -                    | -                      |
| (Decrease) during the year         | -                    | -                      |
| <b>At 31 March 2021</b>            | <b>2,000.00</b>      | <b>2,000.00</b>        |

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

| <b>Issued Equity Capital</b>   |                      |                        |
|--|----------------------|------------------------|
|  |                      | (Amounts in Rs. Lakhs) |
| <b>Particulars</b>   | <b>No.</b>           |                        |
|  | <b>31 March 2021</b> | <i>31 March 2020</i>   |
| <b>Equity shares of Rs. 1 each issued , subscribed and fully paid up</b> |                      |                        |
| <b>At 31 March 2020</b>  | 1,125.00             | 1,125.00               |
| Increase during the year   | -                    | -                      |
| (Decrease) during the year   | -                    | -                      |
| <b>At 31 March 2021</b>  | <b>1,125.00</b>      | <b>1,125.00</b>        |

| <b>Details of shareholders holding more than 5% shares in the company</b> |                      |                        |
|---|----------------------|------------------------|
|   |                      | (Amounts in Rs. Lakhs) |
|   | <b>31 March 2021</b> | <i>31 March 2020</i>   |
| SB Reshellers Private Limited   | 197.04               | 197.04                 |
| Percentage Holding in the class   | 17.51                | 17.51                  |
| <b>Total</b>  | <b>197.04</b>        | <b>197.04</b>          |



**Notes to Financial Statements for the Financial Year Ended 31-03-2021**

| <b>Note No. 13: Other Equity</b>                      |                                |                                |
|---|--------------------------------|--------------------------------|
| <b>Note No. 13 (A): Reserves and Surplus</b>          |                                |                                |
| (Amount in Rs. Lakhs)                                 |                                |                                |
| <b>Particulars</b>                                    | <b>As on<br/>31 March 2021</b> | <i>As on<br/>31 March 2020</i> |
| <b>Securities Premium</b>                             |                                |                                |
| As per last Balance Sheet                             | 1,575.00                       | 1,575.00                       |
| Appropriation for the year                            |                                |                                |
| <b>General Reserve</b>                                |                                |                                |
| As per last Balance Sheet                             | 2,267.58                       | 8,351.31                       |
| Appropriation for the year                            |                                |                                |
| Less : Previous year losses set off                   | -                              | (6,083.73)                     |
|   | <b>2,267.58</b>                | <b>2,267.58</b>                |
| <b>Retained Earnings</b>                              |                                |                                |
| As per last Balance Sheet                             | 1,376.65                       | (6,083.73)                     |
| Profit carried from Statement of Profit and Loss      | 1,705.25                       | 1,376.65                       |
| Balance of Profit after adjustments                   | 3,081.90                       | 1,376.65                       |
| Less : Transfer to General Reserve for setting off    | -                              | 6,083.73                       |
| Less : Dividend for F.Y. 2019-20 paid during the year | (112.50)                       | -                              |
| Balance Carried forward                               | 2,969.40                       | 1,376.65                       |
| <b>Total</b>  | <b>6,811.98</b>                | <b>5,219.23</b>                |

| <b>Note No. 13 (B): Other Comprehensive Income</b> |                                |                                |
|--|--------------------------------|--------------------------------|
| (Amount in Rs. Lakhs)                              |                                |                                |
| <b>Particulars</b>                                 | <b>As on<br/>31 March 2021</b> | <i>As on<br/>31 March 2020</i> |
| As per last Balance Sheet                          | 17.39                          | 145.69                         |
| Add : For the Year                                 | (14.19)                        | (128.30)                       |
| <b>Total</b>                                       | <b>3.20</b>                    | <b>17.39</b>                   |

**Notes to Financial Statements for the Financial Year Ended 31-03-2021**

| <b>Note No. 14A : Long Term Borrowings</b>  |                                |                      | (Amount in Rs. Lakhs)      |                            |
|---|--------------------------------|----------------------|----------------------------|----------------------------|
| <b>Particulars</b>  | <b>Effective Interest Rate</b> | <b>Maturity Date</b> | <b>As on 31 March 2021</b> | <b>As on 31 March 2020</b> |
| <b>Term Loans</b>   |                                |                      |                            |                            |
| <b>From Bank</b>  |                                |                      |                            |                            |
| (v) Central Bank of India - Soft Loan for Payment of FRP (Secured)                                | 1Year MCLR + 3.50%             | Jun-24               | 3,123.65                   | 3,985.00                   |
| (vi) Bank of Baroda - Soft Loan for Payment of FRP (Secured)                                      | 1Year MCLR +3.25%              | Dec-23               | 984.50                     | 1,253.00                   |
| (vii) Union Bank of India - Soft Loan for Payment of FRP (Secured)                                | 1Year MCLR +4.40%              | Jun-24               | 299.68                     | 1,286.00                   |
| iv) Central Bank of India-Covid 2019  | 7.60%                          | Jun-22               | 1,821.55                   | -                          |
| v) Union Bank of India-Covid 2019   | 8.00%                          | Jun-22               | 608.84                     | -                          |
| vi) Bank of Baroda-Covid 2019   | 8.00%                          | Jun-22               | 691.01                     | -                          |
| vii) Central Bank of India-Emergency Credit Lending Scheme  | 1Year MCLR +2.70%+0.20%        | Feb-26               | 2,300.00                   | -                          |
| viii) Union Bank of India-Guaranteed Emergency Credit Line  | 1Year MCLR+ 0.60%              | Mar-26               | 1,550.00                   | -                          |
|   |                                |                      | 11,379.23                  | 6,524.00                   |
| Less: Current maturities in respect of above loans disclosed separately under Current Liabilities |                                |                      | 4,340.80                   | 1,675.75                   |
| <b>Sub-Total</b>  |                                |                      | <b><del>7,038.43</del></b> | <b><del>4,848.25</del></b> |
| <b>Total Long Term Borrowings</b>   |                                |                      | <b><del>7,038.43</del></b> | <b><del>4,848.25</del></b> |

**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 June 2020. The loan is repayable in 48 monthly instalments of Rs.83.02 Lakhs each. The last instalment is due in June 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 June 2020. The loan is repayable in 48 monthly instalments of Rs. 26.79 Lakhs each. The last instalment is due in June 2024.

**(iv) Central Bank of India - Covid-2019 Loan**

The loan was obtained to meet liquidity mismatch due to COVID 19 pandemic under Central Government Covid-19 Sahayata Scheme. The loan is secured by all tangible movable property

**Notes to Financial Statements for the Financial Year Ended 31-03-2021**

such as stock in trade and goods.. The loan is repayable in 18 monthly instalments of Rs. 129.17 Lakhs each. The last instalment is due in June 2022.

**(v) Union Bank of India - Covid-2019 Loan**

The loan was obtained to meet liquidity mismatch due to COVID 19 pandemic under Central Government Covid-19 Sahayata Scheme. The loan is secured Primary by Hypothecation of Stock (other than Pledge) and receivables of the company and Collateral by extension of 1<sup>st</sup> pari passu charge on all fixed assets at Ugar and Jewargi. The loan is repayable in 18 monthly instalments of Rs. 41.67 Lakhs each. The last instalment is due in June 2022.

**(vi) Bank of Baroda - Covid-2019 Loan**

The loan was obtained to meet liquidity mismatch due to COVID 19 pandemic under Central Government Covid-19 Sahayata Scheme. The loan is secured by Pledge of Sugar. The loan is repayable in 18 monthly instalments of Rs. 46.39 Lakhs each. The last instalment is due in June 2022.

**(vii) Central Bank of India - Guaranteed Emergency Credit Line (GECL - 2) Loan**

The loan was obtained under Central Government Guaranteed Emergency Credit Line Scheme (GECL - 2) Loan. The loan is secured by all tangible movable property such as stock in trade and goods. The loan is repayable in 48 monthly instalments of Rs.47.92 Lakhs each. The last instalment is due in February 2026.

**(viii) Union Bank of India - Guaranteed Emergency Credit Line (GECL - 2) Loan**

The loan was obtained under Central Government Guaranteed Emergency Credit Line Scheme (GECL - 2) Loan. The loan is secured by extension of 1<sup>st</sup> pari passu charge on all assets at Ugar and Jewargi. The loan is repayable in 48 monthly instalments of Rs.32.29 Lakhs each. The last instalment is due in March 2026.

| <b>Note No. 14B : Borrowings</b>                              |                                | (Amount in Rs. Lakhs)          |                  |
|---|--------------------------------|--------------------------------|------------------|
| <b>Particulars</b>  | <b>As on<br/>31 March 2021</b> | <i>As on<br/>31 March 2020</i> |                  |
| <b>Working Capital Loans</b>                                  |                                |                                |                  |
| <b>From Bank</b>  |                                |                                |                  |
| Cash Credit Hypothecation - (Central Bank of India) (Secured) |                                |                                |                  |
| — Hypothecation of Stores                                     | 1,388.83                       |                                | 342.45           |
| — ODBD  | 714.51                         |                                | 974.80           |
| <b>Cash Credit Pledge (Secured)</b>                           |                                |                                |                  |
| Bank of Baroda  | 6,749.02                       |                                | 8,300.47         |
| Central Bank of India   | 14,014.53                      |                                | 13,993.06        |
| Union Bank of India   | 12,956.55                      |                                | 7,946.72         |
| Bank of India   | —                              |                                | —                |
| Sangli Urban Bank   | 1,007.76                       |                                | 1,008.49         |
| Dombivali Nagari Sahakari Bank                                | 3,402.57                       |                                | 3,945.76         |
| <b>Sub Total</b>  | <b>40,233.77</b>               |                                | <b>36,511.75</b> |
| Book Overdraft  | 3,374.13                       |                                | —                |
| Fixed Deposit from Directors                                  | 330.00                         |                                | 108.02           |
| <b>Total</b>  | <b>43,937.90</b>               |                                | <b>36,619.77</b> |

**Note :** Working capital loans are secured by hypothecation pledge of Company's stock of raw material, work in process, finished goods, consumable stores, spares, book debts, both present and future. The fund based limits are payable on demand to the Banks.

**Notes to Financial Statements for the Financial Year Ended 31-03-2021**

| <b>Note No. 15A : Long Term Provisions</b> |                                | (Amount in Rs. Lakhs)          |  |
|--|--------------------------------|--------------------------------|--|
| <b>Particulars</b>                         | <b>As on<br/>31 March 2021</b> | <b>As on<br/>31 March 2020</b> |  |
| Provisions for Employee Benefits           | –                              | –                              |  |
| Provision for Leave Salary                 | 371.76                         | 360.05                         |  |
| <b>Total</b>                               | <b>371.76</b>                  | <b>360.05</b>                  |  |

| <b>Note No. 15B : Short Term Provisions</b> |                                | (Amount in Rs. Lakhs)          |  |
|---|--------------------------------|--------------------------------|--|
| <b>Particulars</b>                          | <b>As on<br/>31 March 2021</b> | <b>As on<br/>31 March 2020</b> |  |
| <b>Provisions for Employee Benefits</b>     |                                |                                |  |
| Provision for Gratuity                      | 1,421.44                       | 1,421.96                       |  |
| Provision for Leave Salary                  | 37.87                          | 42.69                          |  |
| <b>Total</b>                                | <b>1,459.31</b>                | <b>1,464.65</b>                |  |

**Note No. 16 - Income Taxes**

The major components of income tax expense for the years ended 31 March 2021 and 31 March 2020 are:

| <b>Note no. 16A. Statement of Profit and Loss</b>                    |                                | (Amount in Rs. Lakhs)          |  |
|--|--------------------------------|--------------------------------|--|
| <b>(i) Profit and Loss Section</b>                                   |                                |                                |  |
| <b>Particulars</b>   | <b>As on<br/>31 March 2021</b> | <b>As on<br/>31 March 2020</b> |  |
| <b>Current Income Tax :</b>  |                                |                                |  |
| Current income tax charge  | 309.18                         | –                              |  |
| Adjustment in respect of current income tax of previous year         | –                              | –                              |  |
|  | 309.18                         | –                              |  |
| <b>Deferred Tax :</b>  |                                |                                |  |
| Relating to origination and reversal of temporary differences        | (154.35)                       | 13.85                          |  |
| Income Tax expense reported in the statement of profit or loss       | (154.35)                       | 13.85                          |  |
| <b>(ii) OCI Section</b>  |                                |                                |  |
| Deferred Tax related to items recognised in the OCI during the year: |                                |                                |  |
| Net gain/(loss) on remeasurement of defined benefit plans            | 7.63                           | 68.91                          |  |
| <b>Income Tax charged to OCI</b>                                     | <b>7.63</b>                    | <b>68.91</b>                   |  |

**Notes to Financial Statements for the Financial Year Ended 31-03-2021****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-21     | 31-Mar-20       | 31-Mar-21                    | 31-Mar-20      |
| Deferred Tax Liabilities                   |               |                 |                              |                |
| On account of timing differences in -      |               |                 |                              |                |
| Depreciation                               | 1,886.78      | 1,907.38        | (20.60)                      | 39.43          |
| Less : Deferred Tax Assets                 |               |                 |                              |                |
| On account of timing differences in -      |               |                 |                              |                |
| a. Provision for doubtful debts & advances | (179.38)      | (177.27)        | (2.11)                       | (49.26)        |
| b. Disallowances under the Income Tax Act  | (794.18)      | (654.91)        | (139.27)                     | (45.23)        |
|  | (973.56)      | (832.18)        | (141.38)                     | (94.49)        |
| <b>Total</b>                               | <b>913.22</b> | <b>1,075.20</b> | <b>(161.98)</b>              | <b>(55.06)</b> |

Reflected in the Balance sheet as follows :

(Amount in Rs. Lakhs)

| Particulars                           | As on         | As on           |
|---------------------------------------|---------------|-----------------|
|                                       | 31 March 2021 | 31 March 2020   |
| Deferred Tax Assets                   | (973.56)      | (832.18)        |
| Deferred Tax Liabilities              | 1,886.78      | 1,907.38        |
| <b>Deferred Tax Liabilities (net)</b> | <b>913.22</b> | <b>1,075.20</b> |

**Note No. 17(A) : Trade Payables**

(Amount in Rs. Lakhs)

| Particulars  | As on            | As on            |
|--|------------------|------------------|
|  | 31 March 2021    | 31 March 2020    |
| Total Outstanding Dues of Micro & Small Enterprises            | 19.66            | 17.28            |
| Total Outstanding Dues of other than Micro & Small Enterprises | 11,517.06        | 17,101.24        |
| <b>Total</b>   | <b>11,536.72</b> | <b>17,118.52</b> |

**Note No. 17(B) : Other Payables**

(Amount in Rs. Lakh)

| Particulars               | As on         | As on         |
|---------------------------|---------------|---------------|
|                           | 31 March 2021 | 31 March 2020 |
| Other Payables            | 207.12        | 162.17        |
| Payable for Capital Goods | 2.85          | 16.72         |
| <b>Total</b>              | <b>209.97</b> | <b>178.89</b> |

**Notes to Financial Statements for the Financial Year Ended 31-03-2021**

| <b>Note No. 18 : Other Current Financial Liabilities</b> (Amount in Rs. Lakhs) |                                |                                |
|--|--------------------------------|--------------------------------|
| <b>Particulars</b>   | <b>As on<br/>31 March 2021</b> | <b>As on<br/>31 March 2020</b> |
| Current Maturities of Long Term Debts from Bank- Secured                       | 4,340.80                       | 1,675.75                       |
| Harvesters & Transporters Loan   | 5,609.98                       | 5,583.45                       |
| Crop Loan  | –                              | 2,711.76                       |
| Interest accrued and due on borrowings   | 98.99                          | 26.84                          |
| Unclaimed Dividend   | 30.68                          | 31.30                          |
| Unpaid Matured Deposits & Interest Accrued                                     | 2.55                           | 2.55                           |
| Trade Deposits and Advances  | 173.30                         | 172.87                         |
| Salaries, Wages, Bonus & Commission Payable                                    | 571.89                         | 640.30                         |
| Contractors Retention  | 1.69                           | 0.96                           |
| Other Payables - Employees   | 8.07                           | 8.60                           |
| <b>Total</b>   | <b>10,837.95</b>               | <b>10,854.38</b>               |

| <b>Note No. 19 : Other Current Liabilities</b> (Amount in Rs. Lakhs) |                                |                                |
|--|--------------------------------|--------------------------------|
| <b>Particulars</b>   | <b>As on<br/>31 March 2021</b> | <b>As on<br/>31 March 2020</b> |
| Provision for Excise Duty on Finished Goods                          | 456.50                         | 298.83                         |
| Outstanding Expenses   | 3,127.23                       | 2,761.85                       |
| Advance from Customers   | 813.54                         | 595.76                         |
| Advance From Cultivators & Contractors                               | 76.93                          | 25.67                          |
| Statutory Dues Payable   | 489.10                         | 423.68                         |
| <b>Total</b>   | <b>4,963.30</b>                | <b>4,105.79</b>                |

| <b>Note No. 20 : Revenue from Operations</b> (Amount in Rs. Lakhs) |   |   |
|--|---|---|
| <b>Particulars</b>   | <b>For the year ended<br/>31 March 2021</b> | <b>For the year ended<br/>31 March 2020</b> |
| <b>Continuing Operations</b>                                       |   |   |
| <b>Sale of Product</b>   |   |   |
| a. Finished Goods  |   |   |
| Sugar/ Sugar Sachet  | 69,358.76                                   | 64,995.77                                   |
| Rectified Spirit   | 2,533.71                                    | 2,055.54                                    |
| Denatured Spirit   | 3,393.50                                    | 3,008.37                                    |
| Potable Alcohol (including excise duty)                            | 19,777.26                                   | 18,118.70                                   |
| Electricity  | 4,437.75                                    | 3,157.74                                    |
| b. Traded Goods  |   |   |
| Petroleum Products   | 4,065.69                                    | 3,595.79                                    |
| c. By-Products & Others  | 3,673.99                                    | 1,687.93                                    |
| <b>Total Sale of Products</b>                                      | <b>1,07,240.66</b>                          | <b>96,619.84</b>                            |
| Other Operating Revenues   |   |   |
| Export Incentive on Sale of Sugar                                  | 4,555.82                                    | 4,481.35                                    |
| <b>Total</b>   | <b>1,11,796.48</b>                          | <b>1,01,101.19</b>                          |



**Notes to Financial Statements for the Financial Year Ended 31-03-2021**

| <b>Note No. 21 A: Other Income</b>             |   | (Amount in Rs. Lakhs)                       |  |
|--|---|---|--|
| <b>Particulars</b>                             | <b>For the year ended<br/>31 March 2021</b> | <i>For the year ended<br/>31 March 2020</i> |  |
| <b>Non Operating Revenues</b>                  |   |   |  |
| <b>Sale of Services</b>                        |   |   |  |
| Machinery & Bullock Cart Hire Charges          | 0.67  | 0.32  |  |
| Excess Provisions & Unclaimed Credit Balances  |   |   |  |
| Balances Written Back                          | 196.98                                      | 42.73                                       |  |
| Bad Debts / Advances Written Off/Recovered     | 3.04  |   |  |
| <b>Others</b>                                  |   |   |  |
| Insurance Claims Received                      | 5.65  | 115.68                                      |  |
| Profit on Sale of Scrap                        | 153.31                                      | 4.22  |  |
| Miscellaneous Receipts                         | 107.08                                      | 40.67                                       |  |
| <b>Finance Income</b>                          |   |   |  |
| Dividend on Non - Trade investments            | 1.04  | 0.73  |  |
| Interest on Advances, Bank Deposits and Others | 117.43                                      | 76.21                                       |  |
| <b>Total</b>                                   | <b>585.20</b>                               | <b>280.56</b>                               |  |

| <b>Note No. 22 A : Cost of Material Consumed</b> |   | (Amount in Rs. Lakhs)                       |  |
|--|---|---|--|
| <b>Particulars</b>                               | <b>For the year ended<br/>31 March 2021</b> | <i>For the year ended<br/>31 March 2020</i> |  |
| A. Cost of Raw Material and Components           |   |   |  |
| 01. Sugarcane                                    |   |   |  |
| Purchased  | 58,130.58                                   | 43,293.49                                   |  |
| Harvesting & Transport                           | 15,548.06                                   | 10,319.60                                   |  |
| Cane Purchase and Development                    | 330.67                                      | 387.80                                      |  |
| <b>Sub-Total</b>                                 | <b>74,009.31</b>                            | <b>54,000.89</b>                            |  |
| 02. Other Raw Material                           |   |   |  |
| Molasses   | 4,557.71                                    | 5,120.17                                    |  |
| Malt   | 6.66  | 14.61                                       |  |
| Rectified Spirit                                 | 1,376.95                                    | 1,428.56                                    |  |
| Others   | 6.37  | 15.47                                       |  |
| Sub-Total  | 5,947.69                                    | 6,578.82                                    |  |
| Less : Inter-segment transfers                   | (5,714.79)                                  | (6,208.82)                                  |  |
| <b>Sub-Total</b>                                 | <b>232.90</b>                               | <b>370.00</b>                               |  |
| B. Stores, Spares, Chemicals and Others          | 3,330.32                                    | 2,873.11                                    |  |
| <b>Total</b>                                     | <b>77,572.53</b>                            | <b>57,244.00</b>                            |  |

| <b>Note No. 22 B : Other Manufacturing Expenses</b> |   | (Amount in Rs. Lakhs)                       |  |
|---|---|---|--|
| <b>Particulars</b>                                  | <b>For the year ended<br/>31 March 2021</b> | <i>For the year ended<br/>31 March 2020</i> |  |
| 01. Power Fuel and Water                            | 755.09                                      | 715.17                                      |  |
| 02. Repairs and Maintenance -Plant and Machinery    | 1,464.83                                    | 1,673.86                                    |  |
| <b>Total</b>  | <b>2,219.92</b>                             | <b>2,389.03</b>                             |  |

**Notes to Financial Statements for the Financial Year Ended 31-03-2021**

| <b>Note No. 23 : Purchase of Stock in Trade</b> |   |   |
|---|---|---|
| (Amount in Rs. Lakhs)                           |   |   |
| <b>Particulars</b>                              | <b>For the year ended<br/>31 March 2021</b> | <i>For the year ended<br/>31 March 2020</i> |
| Petroleum Products                              | 3,930.52                                    | 3,521.15                                    |
| <b>Total</b>                                    | <b>3,930.52</b>                             | <b>3,521.15</b>                             |

| <b>Note No. 24 : Changes in inventories of finished goods, Stock-in-Trade and work-in-progress</b> |   |   |
|--|---|---|
| (Amount in Rs. Lakhs)  |   |   |
| <b>Particulars</b>   | <b>For the year ended<br/>31 March 2021</b> | <i>For the year ended<br/>31 March 2020</i> |
| 1. Inventory at the beginning 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   | 113.80                                      | 174.35                                      |
|  | <u>56,746.44</u>                            | <u>63,731.81</u>                            |
| ii. Bagasse -own   | 628.73                                      | 726.86                                      |
| <b>Total</b>   | <b>57,375.17</b>                            | <b>64,458.67</b>                            |
| b. Stock in Trade at the beginning of the year   |   |   |
| Petroleum Products   | 76.12                                       | 43.67                                       |
|  | <u>57,451.29</u>                            | <u>64,502.34</u>                            |
| Less : Excise duty on Opening inventory  | 987.10                                      | 927.84                                      |
| Value of Opening Inventory (net of Excise duty)  | <u>56,464.19</u>                            | <u>63,574.50</u>                            |
| 2. Inventory at the end of the year  |   |   |
| a) Finished goods  |   |   |
| i. Sugar, Molasses, Spirit etc   |   |   |
| Sugar  | 56,189.06                                   | 49,406.76                                   |
| Rectified Spirit   | 599.32                                      | 844.48                                      |
| Potable Alcohol  | 1,813.87                                    | 1,247.78                                    |
| Molasses   | 2,534.39                                    | 5,133.62                                    |
| Others   | 105.44                                      | 113.80                                      |
|  | <u>61,242.08</u>                            | <u>56,746.44</u>                            |
| ii. Bagasse - own  | 956.60                                      | 628.73                                      |
| <b>Total</b>   | <b>62,198.68</b>                            | <b>57,375.17</b>                            |
| b) Stock in Trade at the end of the year   |   |   |
| Petroleum Products   | 64.39                                       | 76.12                                       |
|  | <u>62,263.07</u>                            | <u>57,451.29</u>                            |
| Less : Excise duty on Closing Inventory  | 1,478.32                                    | 987.10                                      |
| Value of Year Closing Inventory (net of Excise duty)   | <u>60,784.75</u>                            | <u>56,464.19</u>                            |
| <b>Net (Increase)/Decrease in Inventories</b>  | <b>(4,320.56)</b>                           | <b>7,110.31</b>                             |

**Notes to Financial Statements for the Financial Year Ended 31-03-2021**

| <b>Note No. 25 : Employee Benefit Expenses</b> (Amount in Rs. Lakhs) |   |   |
|--|---|---|
| <b>Particulars</b>   | <b>For the year ended<br/>31 March 2021</b> | <i>For the year ended<br/>31 March 2020</i> |
| 1. Salaries, Bonus and Commission                                    | 4,806.54                                    | 4,977.85                                    |
| 2. Remuneration to Employees employed by contractors                 | 1,476.39                                    | 1,299.58                                    |
| 3. Contribution to Provident and Other Funds                         | 398.86                                      | 439.85                                      |
| 4. Gratuity Expense  | 227.79                                      | 207.78                                      |
| 5. Workmen and Staff Welfare   | 38.54                                       | 72.63                                       |
| <b>Total</b>   | <b>6,948.12</b>                             | <b>6,997.69</b>                             |

| <b>Note No. 26 : Finance Costs</b> (Amount in Rs. Lakhs) |   |   |
|--|---|---|
| <b>Particulars</b>                                       | <b>For the year ended<br/>31 March 2021</b> | <i>For the year ended<br/>31 March 2020</i> |
| 1. Interest on debts and borrowings                      | 3,932.93                                    | 4,074.57                                    |
| 2. Other Finance Charges                                 | 328.38                                      | 238.64                                      |
| <b>Total</b>   | <b>4,261.31</b>                             | <b>4,313.21</b>                             |

| <b>Note No. 27 : Depreciation and Amortization Expense</b> (Amount in Rs. Lakhs) |   |   |
|--|---|---|
| <b>Particulars</b>   | <b>For the year ended<br/>31 March 2021</b> | <i>For the year ended<br/>31 March 2020</i> |
| Depreciation of Tangible Assets  | 1,236.75                                    | 1,365.90                                    |
| Amortization of Intangible Assets  | 4.54  | 7.63  |
| Depreciation of Investment Properties  | 0.48  | 0.52  |
| <b>Total</b>   | <b>1,241.77</b>                             | <b>1,374.05</b>                             |

| <b>Note No. 28 : Other Expenses</b> (Amount in Rs. Lakhs) |   |   |
|---|---|---|
| <b>Particulars</b>  | <b>For the year ended<br/>31 March 2021</b> | <i>For the year ended<br/>31 March 2020</i> |
| <b>1. Administrative Expenses</b>                         |   |   |
| Repairs and Maintenance of Buildings                      | 142.70                                      | 107.60                                      |
| General Repairs and Maintenance                           | 503.38                                      | 419.20                                      |
| Insurance   | 118.55                                      | 87.86                                       |
| Rent  | 88.85                                       | 61.91                                       |
| Rates and Taxes   | 225.35                                      | 402.01                                      |
| Bank Charges  | 3.65  | 3.58  |
| Printing and Stationery                                   | 12.21                                       | 16.84                                       |
| Travelling and Conveyance                                 | 21.11                                       | 81.12                                       |
| Motor Car/ Other Vehicle Expenses                         | 77.24                                       | 96.26                                       |
| Assets Written off  | 15.49                                       | 225.41                                      |
| Directors Sitting Fees                                    | 16.30                                       | 12.30                                       |
| Legal & Consultation Expenses                             | 113.92                                      | 101.97                                      |
| Payment to Auditors (Refer details below)                 | 16.17                                       | 15.31                                       |
| Bad debts and Sundry Advances Written off                 | 21.67                                       | 2.15  |

**Notes to Financial Statements for the Financial Year Ended 31-03-2021**

|  |                 |                 |
|--|-----------------|-----------------|
| Provision for Doubtful Debts and Advances        | 6.03            | 123.85          |
| Unrealised Loss on Units and Preference Shares   | 4.61            | 3.41            |
| Donations  | 3.50            | 2.10            |
| Miscellaneous                                    | 158.55          | 210.20          |
|  | <u>1,549.28</u> | <u>1,973.08</u> |
| 2. Selling and Distribution Expenses             |                 |                 |
| Freight and Selling Expenses                     | 712.41          | 653.74          |
| Commission to Selling Agents and representatives | 143.41          | 339.75          |
| Advertisements                                   | 17.77           | 12.47           |
|  | <u>873.59</u>   | <u>1,005.96</u> |
| <b>Total</b>                                     | <b>2,422.87</b> | <b>2,979.04</b> |

| <b>Payment to Auditors</b>          | (Amount in Rs. Lakhs)                       |   |
|-------------------------------------|---|---|
| <b>Particulars</b>                  | <b>For the year ended<br/>31 March 2021</b> | <i>For the year ended<br/>31 March 2020</i> |
| Statutory Auditors :                |   |   |
| As Auditors:                        |   |   |
| Audit fees                          | 6.00  | 7.20  |
| Tax Audit fees                      | 1.50  | 1.35  |
| Limited Review fees                 | 4.50  | 1.12  |
| In other capacity:                  |   |   |
| Taxation matters                    | —   | —   |
| Company Law matters                 | 0.05  | 0.05  |
| Other services (Certification fees) | 0.10  | 0.10  |
| Reimbursement expenses              | 0.17  | 1.54  |
|                                     | <u>12.32</u>                                | <u>11.36</u>                                |
| Cost Auditors :                     |   |   |
| As Auditors:                        |   |   |
| Audit fee                           | 2.30  | 2.30  |
| In other capacity:                  |   |   |
| Reimbursement expenses              | —   | —   |
|                                     | <u>2.30</u>                                 | <u>2.30</u>                                 |
| Secretarial Auditors :              |   |   |
| As Auditors:                        |   |   |
| Audit fee                           | 1.50  | 1.50  |
| In other capacity:                  |   |   |
| Certification fees                  | 0.05  | 0.15  |
| Reimbursement expenses              | —   | —   |
|                                     | <u>1.55</u>                                 | <u>1.65</u>                                 |
| <b>Total</b>                        | <b>16.17</b>                                | <b>15.31</b>                                |

**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

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

- Level 3 inputs are unobservable inputs for the asset or liability.
- For assets and liabilities that are recognised in the financial statements on recurring basis the company determines whether transfers have occurred between the levels in the hierarchy by re-assessing categorization (based on the lowest level of input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company management determines the policies and procedures for recurring and non-recurring fair value measurement. Involvement of external valuers is decided upon annually by the company management

At each reporting date the Company's management analyses the movements in the values of the assets and liabilities which are required to be re-measured or re-assessed as per the Company's accounting policies.

**(c) CURRENT AND NON- CURRENT CLASSIFICATION**

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. An asset is treated current when it is :

- Expected to be realized or intended to be sold or consumed in normal operating cycle. The Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.
- Held primarily for the purpose of trading
- Expected to be realised within twelve months (12 months) after reporting date
- Cash or Cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non – current.

A liability is current when:

- It is expected be settled in a normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settle within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

Deferred tax assets and liabilities are classified as non - current assets and liabilities.

The company classifies all other liabilities as non - current. The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

**(d) ROUNDING OF AMOUNTS**

The financial statements including notes thereon are presented in Indian Rupees ("Rupees "or "Rs."), which is the Company's functional and presentation currency. All amounts disclosed in the financial statements including notes thereon have been rounded off to the nearest lakhs as per the requirement of Schedule III to the Act, unless stated otherwise.



**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            | 1 to 40               |
| Furniture and Fixtures         | 1 to 10               |
| Vehicles                       | 8 to 10               |
| Office Equipment               | 1 to 13               |
| Investment Property – Building | 3 to 60               |

The Company, based on technical assessment made by management estimate, depreciates certain items of Plant, Property and Equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. This assessment takes into account nature of assets, the estimated usage of assets, the operating conditions of the assets, past history of replacement, anticipated technological changes, maintenance

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

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 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.

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

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.

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.

**As a lessee**

The Company accounts for each lease component within the contract as 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 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 are 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

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

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 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) IMPAIRMENT OF NON- FINANCIAL ASSETS(TANGIBLE AND INTANGIBLE)**

At the end of each reporting period, the Company reviews the carrying amounts of tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. When it is not possible to estimate the recoverable amount of individual asset, the Company estimates the recoverable amount of the cash generating unit to which an individual asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing, value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

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

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.

**(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.

**NOTE C : CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES:****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 1<sup>st</sup> 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.
- 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.



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

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) INVESTMENTS IN SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES**

Investments in subsidiaries, joint ventures and associates are recognised at cost as per Ind AS 27. Except where investments accounted for at cost shall be accounted for in accordance with Ind AS 105, Non-current Assets Held for Sale and Discontinued Operations, when they are classified as held for sale.

**(l) GOVERNMENT GRANTS AND ASSISTANCE**

Grants and subsidies from Government are recognized when there is reasonable assurance that (i) the company will comply with the conditions attached to them and (ii) the grant/subsidy will be received.

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

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

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 31<sup>st</sup> March 2021.
- (ii) Investment in Preference shares of Synergy Green Industries Ltd is valued at fair market value using discounted cash flows.

**(o) EMPLOYEE BENEFITS****Short Term Employee Benefits**

Short-term employee benefits are recognized as an expense at the undiscounted amount in the statement of profit and loss of the year in which the related service is rendered.

**Other Long Term Employee Benefits**

The Company provides for the encashment of leave or leave with pay subject to certain rules. The employees are entitled to accumulate leave for availment as well as encashment subject to the rules. As per the regular past practice followed by the employees, it is not expected that the entire accumulated leave shall be encashed or availed by the employees during the next twelve months and accordingly the benefit is treated as long-term defined benefit. The liability is provided for based on the number of days of unutilised leave at the Balance Sheet date on the basis of an independent actuarial valuation.

**Post Employment Benefits****(i) Defined Contribution Plans**

The eligible employees of the Company are entitled to receive benefits under the Provident Fund, a defined contribution plan in which both the employees and the Company make monthly contributions at a specified percentage of the covered employees' salary. The 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.

**NOTE C : CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES:****(ii) Defined Benefit Plans**

The Company has an obligation towards Gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The plan is managed by a trust and the fund is invested with Life Insurance Corporation of India under its Group Gratuity Scheme. The Company makes annual contributions to Gratuity Fund and the Company recognises the liability for Gratuity benefits payable in future based on an independent actuarial valuation.

**(p) BORROWING COSTS**

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing cost eligible for capitalization. All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

**(q) INCOME TAX****Current income Tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised either in other comprehensive income or in equity. Current tax items are recognised in correlation to the underlying transaction either in OCI or statement of profit and loss.

**Deferred Tax**

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Deferred income tax is provided in full, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the financial statement. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are accepted to apply when the related deferred and income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses, only if, it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same

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

taxation authority. Current tax assets and tax liabilities are offset where the Company has legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively

Minimum Alternate Tax credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

**(r) PROVISIONS**

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognized for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pretax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

**CONTINGENT LIABILITIES**

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

**(s) FINANCIAL INSTRUMENTS**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments and are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or liabilities on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

**NOTE C : CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES:****Financial assets****Initial Recognition and measurement**

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset

**Classification and subsequent measurement**

For the purpose of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortized cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

**Debt instruments at amortized cost**

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest ('SPPI') on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate ('EIR') method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade and other receivables.

**Debt instruments at FVTPL**

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the P&L.

**Equity investments**

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a

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

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:

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance



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

- 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 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

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

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.
- 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 is 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.

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

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 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.

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

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

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 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 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.

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

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 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 are not designated in hedge relationship and are majored at share value through profit and loss account.

**(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.



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

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

- (iii) Revenue, Expenses, Assets and Liabilities, which relate to the enterprise as a whole and are not allocable to segments on a reasonable basis, has been included under "Unallocated".

**(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.

**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.

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

**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 31-03-2021**

(Amount in Rs. Lakhs)

| Particulars                      | Financial Year<br>31-03-2021   | Financial Year<br>31-03-2020 |           |
|----------------------------------|--|------------------------------|-----------|
| <b>Note D: Other Information</b> |  |                              |           |
| 1                                | Contingent Liabilities not provided for<br>Claims against the Company not acknowledged as debts  |                              |           |
| a.                               | Excise Duty / Service Tax, Liability Disputed  | 395.26                       | 395.26    |
| b.                               | Income Tax, Liability Disputed   | 199.59                       | 199.59    |
| c.                               | Sales Tax, Liability Disputed  | 20.14                        | 20.14     |
| d.                               | "Corporate Guarantees given to the Bankers for loans given to the Harvesting & Transport Contractors - (The due date for repayment of the loans shall be 12 months from the first disbursement)."  | 7,900.00                     | 12,125.00 |
| e.                               | Bank Guarantee   | 1,000.00                     | 1,000.00  |
|                                  | In relation to matters mentioned in point no a, b and c 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   | 824.96                       | 41.83     |
| 3                                | Value of imports calculated on CIF basis<br>Machinery Spares   |                              |           |
|                                  |  | -                            | -         |
| 4                                | Expenditure in foreign currency  |                              |           |
| a.                               | Travelling   | -                            | 5.00      |
| b.                               | Raw Sugar  | -                            | -         |
| c.                               | Subscription   | -                            | 0.71      |
| 5                                | Earning per share  |                              |           |
| a.                               | Profit after tax as per the Profit & Loss Account  | 1,705.25                     | 1,376.65  |
| b.                               | Weighted average of No. of Shares  | 1,125.00                     | 1,125.00  |
| c.                               | Basic and Diluted Earning per share of Nominal Value of Rs. 1 each   | 1.52                         | 1.22      |
| 6                                | Future Minimum Lease Rentals in respect of Buildings   |                              |           |
| a.                               | Given on lease   |                              |           |
| i.                               | Receivable within one year   | 8.41                         | 8.92      |
| ii.                              | Receivable between one year and five years   | 8.37                         | 16.68     |
| iii.                             | Receivable after five years  | 24.36                        | 24.36     |
| b.                               | Taken on lease   |                              |           |
| i.                               | Payable within one year  | 36.93                        | 23.16     |
| ii.                              | Payable between one year and five years  | 20.80                        | 23.64     |
| iii.                             | Payable after five years   | -                            | -         |

**Notes to Financial Statements for the Financial Year Ended 31-03-2021**

(Amount in Rs. Lakhs)

| Particulars   | Financial Year<br>31-03-2021 | Financial Year<br>31-03-2020 |
|---|------------------------------|------------------------------|
| <b>Note D: Other Information (Contd...)</b>   |                              |                              |
| 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  | 74,242.21                    | 54,370.87                    |
| b. Percentage   |                              |                              |
| Imported  | -                            | -                            |
| Indigenous  | 100%                         | 100%                         |
| 8 Value of Raw Material Consumed in Note B-27 includes additional cane price relating to earlier season/s   | -                            | -                            |
| 9 Segment Reporting   |                              |                              |
| I. Primary Segment Information (Business Segments)  |                              |                              |
| Revenue   |                              |                              |
| External Operating Income   |                              |                              |
| Sugar (Including Export Incentive on Sale of Sugar)   | 77,301.12                    | 71,354.76                    |
| Electricity   | 4,438.00                     | 3,157.74                     |
| Petrol Pump   | 4,065.69                     | 3,595.79                     |
| Industrial Alcohol  | 5,940.94                     | 5,079.07                     |
| Potable Alcohol   | 20,050.73                    | 17,913.82                    |
| <b>Total</b>  | <b>1,11,796.48</b>           | <b>1,01,101.18</b>           |
| Inter-segment Sales   |                              |                              |
| Sugar   | 12,911.65                    | 12,678.80                    |
| Electricity   | 8,822.05                     | 8,370.34                     |
| Industrial Alcohol  | 2,089.50                     | 1,950.36                     |
| <b>Total</b>  | <b>23,823.20</b>             | <b>22,999.50</b>             |
| Total Revenue   |                              |                              |
| Sugar   | 90,212.77                    | 84,033.56                    |
| Electricity   | 13,260.05                    | 11,528.08                    |
| Petrol Pump   | 4,065.69                     | 3,595.79                     |
| Industrial Alcohol  | 8,030.44                     | 7,029.43                     |
| Potable Alcohol   | 20,050.73                    | 17,913.82                    |
| <b>Total</b>  | <b>1,35,619.68</b>           | <b>1,24,100.68</b>           |

**Notes to Financial Statements for the Financial Year Ended 31-03-2021**

(Amount in Rs. Lakhs)

| Particulars  | Financial Year<br>31-03-2021 | Financial Year<br>31-03-2020 |
|--|------------------------------|------------------------------|
| <b>Note D: Other Information (Contd...)</b>          |                              |                              |
| Segment Reporting                                    |                              |                              |
| II Primary Segment Information(Business Segments)    |                              |                              |
| Segment Results (Gross)                              |                              |                              |
| Sugar  | 5335.21                      | 7425.83                      |
| Electricity  | 2924.87                      | 1386.64                      |
| Petrol Pump  | 87.62                        | 81.64                        |
| Industrial Alcohol                                   | 542.88                       | 430.04                       |
| Potable Alcohol                                      | 409.69                       | 206.52                       |
| <b>Total</b>   | <b>9,300.27</b>              | <b>9,530.67</b>              |
| Less: Unallocated Corporate Expenses                 | 3,764.07                     | 4,107.59                     |
| <b>Operating Profit</b>                              | <b>5,536.20</b>              | <b>5,423.08</b>              |
| Less:  |                              |                              |
| Finance Costs  | 4,261.31                     | 4,313.22                     |
| Other Income   | (585.19)                     | (280.64)                     |
| Profit from Ordinary Activities                      | 1,860.08                     | 1,390.50                     |
| Exceptional Items                                    | -                            | -                            |
| Profit before tax                                    | 1,860.08                     | 1,390.50                     |
| III. Primary Segment Information (Business Segments) |                              |                              |
| Segment Assets                                       |                              |                              |
| Sugar  | 73,099.53                    | 69,981.84                    |
| Electricity  | 6,226.90                     | 5,304.53                     |
| Petrol Pump  | 67.54                        | 80.33                        |
| Industrial Alcohol                                   | 2,083.10                     | 1,943.90                     |
| Potable Alcohol                                      | 3,479.10                     | 2,263.18                     |
| <b>Subtotal</b>                                      | <b>84,956.17</b>             | <b>79,573.78</b>             |
| Add: Unallocated Corporate Assets                    | 4,252.57                     | 3,386.66                     |
| <b>Total</b>   | <b>89,208.74</b>             | <b>82,960.44</b>             |
| Segment Liabilities                                  |                              |                              |
| Sugar  | 20,181.97                    | 28,659.69                    |
| Electricity  | 530.22                       | 173.04                       |
| Petrol Pump  | 3.50                         | 2.08                         |
| Industrial Alcohol                                   | 102.28                       | 160.43                       |
| Potable Alcohol                                      | 579.43                       | 472.60                       |
| <b>Subtotal</b>                                      | <b>21,397.40</b>             | <b>29,467.84</b>             |
| Add: Unallocated Corporate Liabilities               | 59,871.16                    | 47,130.97                    |
| <b>Total</b>   | <b>81,268.56</b>             | <b>76,598.81</b>             |



**Notes to Financial Statements for the Financial Year Ended 31-03-2021**

(Amount in Rs. Lakhs)

| Particulars   | Financial Year<br>31-03-2021 | Financial Year<br>31-03-2020 |
|---|------------------------------|------------------------------|
| <b>Note D: Other Information (Contd...)</b>   |                              |                              |
| Capital Expenditure   |                              |                              |
| Sugar   | 122.68                       | 65.21                        |
| Electricity   | 8.91                         | 10.41                        |
| Industrial Alcohol  | 250.30                       | 6.77                         |
| Potable Alcohol   | 57.45                        | 0.25                         |
| Unallocated   | 49.44                        | 10.10                        |
|   | <b>488.78</b>                | <b>92.74</b>                 |
| IV Primary Segment Information (Business Segments)  |                              |                              |
| Depreciation and Amortisation   |                              |                              |
| Sugar   | 748.56                       | 843.01                       |
| Electricity   | 299.30                       | 308.93                       |
| Petrol Pump   | 0.02                         | -                            |
| Industrial Alcohol  | 73.67                        | 82.66                        |
| Potable Alcohol   | 8.90                         | 6.88                         |
| Unallocated   | 111.32                       | 132.57                       |
| <b>Total</b>  | <b>1,241.77</b>              | <b>1,374.05</b>              |
| Non-cash expenses other than depreciation   |                              |                              |
| Sugar   | -                            | -                            |
| Electricity   | -                            | -                            |
| Petrol Pump   | -                            | -                            |
| Industrial Alcohol  | -                            | -                            |
| Potable Alcohol   | -                            | -                            |
| <b>Total</b>  | -                            | -                            |
| V The Company does not have any Secondary Reportable Segments.  |                              |                              |
| VI Significant Accounting Policies relating to Segment Reporting  |                              |                              |
| a. Business Segments are determined on the basis of the goods manufactured and in accordance with Ind AS 108.   |                              |                              |
| b. Inter-segment transfers are recorded at cost except for own generated Bagasse and Molasses, cost of which is unascertainable and which are recorded at Net Realisable Value.   |                              |                              |
| c. Segment report is prepared in conformity with accounting policies adopted for preparing and presenting financial statements.   |                              |                              |
| d. "Information about major customers<br>Revenues (net of indirect taxes) for the year ended March 31, 2021 includes revenues aggregating to approximately Rs. 30920.20 Lakhs (March 31, 2020 – Rs. 31,199.25 Lakhs) from Company's 5 largest customers." |                              |                              |

**Notes to Financial Statements for the Financial Year Ended 31-03-2021**

(Amount in Rs. Lakhs)

| Particulars   | Financial Year<br>31-03-2021 | Financial Year<br>31-03-2020 |
|---|------------------------------|------------------------------|
| <b>Note D: Other Information (Contd...)</b>   |                              |                              |
| <b>13 Disclosure with respect to IND AS-19</b>  |                              |                              |
| 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:   |                              |                              |
| <b>a. Gratuity</b>  |                              |                              |
| 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  | 32.06                        | 35.48                        |
| Employer's contribution to Pension Scheme   | 154.93                       | 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  | 3,114.32                     | 2,748.39                     |
| Interest Cost   | 204.11                       | 202.78                       |
| Current Service Cost  | 138.31                       | 131.27                       |
| Past Service Cost ( non vested cost )   |                              |                              |
| Past Service Cost ( vested cost )   |                              | -                            |
| Benefits Paid   | (312.42)                     | (160.37)                     |
| Actuarial (gain) / loss on obligation   | 13.40                        | 192.25                       |
| PVO at the end of the period  | 3,157.72                     | 3,114.32                     |

**Notes to Financial Statements for the Financial Year Ended 31-03-2021**

(Amount in Rs. Lakhs)

| Particulars  | Financial Year<br>31-03-2021 | Financial Year<br>31-03-2020 |
|--|------------------------------|------------------------------|
| <b>Note D: Other Information (Contd...)</b>                      |                              |                              |
| II Interest Expenses   |                              |                              |
| Interest Cost  | 204.11                       | 202.78                       |
| III Fair Value of Plan Assets                                    |                              |                              |
| Fair value of Plan Assets at the beginning                       | 1,692.36                     | 1,701.46                     |
| Interest Income  | 114.62                       | 124.42                       |
| IV Net Liability at beginning of period                          |                              |                              |
| PVO at beginning of period                                       | 3,114.32                     | 2,748.39                     |
| Fair Value of the Assets at beginning report                     | 1,692.36                     | 1,701.46                     |
| Net Liability at the beginning of period                         | 1,421.96                     | 1,046.93                     |
| V Net Interest   |                              |                              |
| Interest Expenses  | 204.11                       | 202.78                       |
| Interest Income  | (114.62)                     | (124.42)                     |
| Net Interest   | 89.49                        | 78.36                        |
| VI Actual Return on Plan Assets                                  | 106.21                       | 119.46                       |
| Interest income included above                                   | 114.62                       | 124.42                       |
| Return on plan assets excluding interest income                  | (8.42)                       | (4.97)                       |
| VII Actuarial (Gain)/Loss on obligation                          |                              |                              |
| Due to Demographic Assumption                                    | 0                            | 0                            |
| Due to Financial Assumption                                      | 43.15                        | 142.74                       |
| Due to Experience  | (29.75)                      | 49.51                        |
| Total Actuarial (Gain)/Loss                                      | 13.40                        | 192.25                       |
| VIII Fair Value of Plan Assets                                   |                              |                              |
| Opening Fair Value of Plan Asset                                 | 1,692.00                     | 1,701.46                     |
| Adjustment to the opening fund                                   |                              | -                            |
| Return on Plan Assets excl. interest income                      | (8.42)                       | (4.97)                       |
| Interest Income  | 114.62                       | 124.43                       |
| Contributions by Employer  | 50.00                        | 25.00                        |
| Contributions by Employee  | -                            | -                            |
| Benefits Paid  | 112.28                       | (153.56)                     |
| Fair Value of Plan Assets at end                                 | 1,736.28                     | 1,692.36                     |
| IX Past Service Cost Recognised                                  |                              |                              |
| Past Service Cost-(non vested benefits)                          |                              |                              |
| Past Service Cost-( vested benefits)                             | -                            | -                            |
| Average remaining future service till vesting<br>of the benefit. |                              |                              |
| Recognised past service cost -non vested benefits                |                              |                              |
| Recognised past service cost - vested benefits                   | -                            | -                            |
| Unrecognised Past Service Cost-non vested benefits               |                              |                              |

**Notes to Financial Statements for the Financial Year Ended 31-03-2021**

(Amount in Rs. Lakhs)

| Particulars   | Financial Year<br>31-03-2021 | Financial Year<br>31-03-2020 |
|---|------------------------------|------------------------------|
| <b>Note D: Other Information (Contd...)</b>                                 |                              |                              |
| X Amount to be recognised in the Balance Sheet and Profit and Loss Account. |                              |                              |
| PVO at end of period  | 3,157.72                     | 3,114.32                     |
| Fair Value of Plan Assets at end of period                                  | 1,736.28                     | 1,692.36                     |
| Net Asset/(Liability) recognised in the Balance Sheet                       | 1,421.44                     | (1,421.96)                   |
| XI Expense recognised in the statement of P & L A/c.                        |                              |                              |
| Current Service Cost  | 138.31                       | 131.27                       |
| Net Interest  | 89.49                        | 78.36                        |
| Past Service Cost-(non vested benefits)                                     |                              |                              |
| Past Service Cost-( vested benefits)  |                              |                              |
| Curtailment Effect  |                              |                              |
| Settlement Effect   |                              |                              |
| Unrecognised Past Service Cost -non vested benefits                         |                              |                              |
| Expense recognised in the statement of P & L A/c.                           | 227.79                       | 209.63                       |
| XII Other Comprehensive Income (OCI)  |                              |                              |
| Actuarial (Gain)/Loss recognised for the period                             | 13.40                        | 192.25                       |
| Asset limit effect  | -                            | -                            |
| Return on Plan Assets excluding net interest                                | 8.42                         | 4.96                         |
| Unrecognised Actuarial (Gain)/Loss from previous period                     | -                            | -                            |
| Total Actuarial (Gain)/Loss recognised in (OCI)                             | 21.82                        | 197.21                       |
| XIII Movements in the Liability recognised in Balance Sheet.                |                              |                              |
| Opening Net Liability   | (1,421.96)                   | (1,046.93)                   |
| Adjustment to opening balance   | -                            | -                            |
| Expenses as above   | (227.79)                     | (209.63)                     |
| Benefits Paid by Company  | 200.14                       | 6.81                         |
| Contribution paid   | 50.00                        | 25.00                        |
| Other Comprehensive Income(OCI)   | (21.82)                      | (197.21)                     |
| Closing Net Liability   | (1,421.44)                   | (1,421.96)                   |
| XIV Schedule III of The Companies Act 2013                                  |                              |                              |
| Current Liability   | 1,421.44                     | 1,421.96                     |
| XV Projected Service Cost 31 March 2021                                     | 131.27                       | 138.31                       |
| 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 31-03-2021**

(Amount in Rs. Lakhs)

| Particulars  | Financial Year<br>31-03-2021 | Financial Year<br>31-03-2020 |
|--|------------------------------|------------------------------|
| <b>Note D: Other Information (Contd...)</b>  |                              |                              |
| XVI Asset Information  |                              | <i>Total Amount</i>          |
| Cash and Cash Equivalents  |                              |                              |
| Gratuity Fund(LIC of India)  | 1,736.28                     | 1,692.36                     |
| Debt Security(Gvt.Bond)  |                              |                              |
| Equity Securities -Corporate debt securities   |                              |                              |
| Other Insurance contracts  |                              |                              |
| Property   |                              |                              |
| Total itemized Assets  | 1,736.28                     | 1,692.36                     |
| XVII Assumptions as at:  |                              |                              |
| Mortality  |                              |                              |
| Interest / Discount Rate   | 6.70%                        | 6.90%                        |
| Rate of increase in compensation   | 6.00%                        | 6.00%                        |
| Rate of return (expected) on plan assets   | 6.90%                        | 7.60%                        |
| Expected average remaining service (In Years)  | 10.62                        | 10.85                        |
| <p>The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. The above information is certified by the actuary.</p> |                              |                              |
| b. Provident Fund  |                              |                              |
| I. Changes in Present Value of expected interest rate short fall.  |                              |                              |
| Present value of expected interest rate shortfall as at the beginning of the period  | 171.26                       | 27.29                        |
| Acquisition Adjustment   | -                            | -                            |
| Interest Cost  | 11.82                        | 2.07                         |
| Past Service Cost  | 8.38                         |                              |
| Current Service Cost   |                              | 16.22                        |
| Curtailement Cost/(Credit)   |                              |                              |
| Settlement Cost/(Credit)   |                              |                              |
| Benefits Paid  |                              |                              |
| Actuarial (Gain)/Loss on obligations.  | (91.86)                      | 125.67                       |
| Present value of expected interest rate shortfall as at the end – of the period.   | 99.59                        | 171.25                       |
| II Changes in Fair Value of plan assets.   |                              |                              |
| Fair value of plan assets at the beginning of the period.  | 221.08                       | 143.81                       |
| Acquisition Adjustment.  | -                            | -                            |
| Interest Income  | 15.25                        | 10.93                        |
| Contributions  | -                            | -                            |
| Amount transferred to cover shortfall  |                              |                              |
| Amount paid on settlement  |                              |                              |
| Actuarial Gain/(Loss) on plan assets   | (55.81)                      | 66.34                        |
| Fair value of plan assets at the end of the period.  | 180.52                       | 221.08                       |

**Notes to Financial Statements for the Financial Year Ended 31-03-2021**

(Amount in Rs. Lakhs)

| Particulars  | Financial Year<br>31-03-2021 | Financial Year<br>31-03-2020 |
|--|------------------------------|------------------------------|
| <b>Note D: Other Information (Contd...)</b>  |                              |                              |
| III Actuarial Gain/Loss recognised.  |                              |                              |
| Actuarial (Gain)/Loss for the period-obligation  | (91.86)                      | 125.67                       |
| Actuarial (Gain)/Loss for the period-plan assets   | 55.81                        | (66.33)                      |
| Total (Gain)/Loss for the period   | (36.05)                      | (59.34)                      |
| Actuarial (Gain)/Loss recognised in the period.  | (36.05)                      | (59.34)                      |
| Unrecognised actuarial Gain/Loss at the of period.   |                              |                              |
| IV The amount to be recognised in the Balance Sheet.   |                              |                              |
| Present value of expected interest rate shortfall as at the end of the period.                         | 99.59                        | 171.26                       |
| Fair value of the plan assets at the end of the period.  |                              |                              |
| (Surplus – Account)  | 180.52                       | 221.08                       |
| Surplus/(Deficit)  | 80.93                        | 49.82                        |
| Unrecognised actuarial (Gain)/Loss   | –                            | –                            |
| Net asset/(liability) recognised in the Balance Sheet.   | 80.93                        | 49.82                        |
| V Amount recognised in Statement of Other Comprehensive Income   |                              |                              |
| Opening amount recognised in OCI outside profit & loss account   | –                            | –                            |
| Remeasurement for the period -Obligation (Gain)/Loss   | 22.52                        | (36.82)                      |
| Remeasurement for the period -Plan Assets(Gain)/Loss   | (91.86)                      | 125.68                       |
| Total remeasurement cost/(credit) for the period   | 55.81                        | (66.34)                      |
| recognised in OCI  | –                            |                              |
| Closing amount recognised in OCI outside profit & loss account   | (36.05)                      | 59.34                        |
|  | (13.53)                      | 22.51                        |
| VI Expenses recognised in the statement of profit & loss   |                              |                              |
| Current Service Cost   | 8.38                         | 16.22                        |
| Acquisition (Gain)/Loss  |                              |                              |
| Past service cost  |                              |                              |
| Net Interest (Income) /Expense   | (3.44)                       | (8.86)                       |
| Curtailement (Gain)/Loss   |                              |                              |
| Settlement (Gain)/Loss   |                              |                              |
| Net periodic benefit cost recognised in the statement of profit & loss at the end of the period.       | 4.94                         | 7.36                         |
| VII Total Expenses recognised in the Statement Of Profit & Loss  |                              |                              |
| Expenses recognised in the statement of Profit & Loss with respect to expected interest rate shortfall | 4.94                         | 7.36                         |
| Expense relating to the contributions made by the employer   | 206.94                       | 230.07                       |
| Total expense at the end of period.  | 211.88                       | 237.43                       |



**Notes to Financial Statements for the Financial Year Ended 31-03-2021**

(Amount in Rs. Lakhs)

| Particulars   | Financial Year<br>31-03-2021 | Financial Year<br>31-03-2020 |
|---|------------------------------|------------------------------|
| <b>Note D: Other Information (Contd...)</b>                         |                              |                              |
| VIII Assumptions as at:   |                              |                              |
| Mortality   |                              |                              |
| Interest/Discount Rate  | 6.70%                        | 6.90%                        |
| Interest rate declared by EPFO for the period.                      | 8.50%                        | 8.50%                        |
| Yield Spread  | 1.50%                        | 1.50%                        |
| Expected average remaining working lives of employees<br>(in years) | 15.71                        | 16.50                        |

**Notes to Financial Statements for the Financial Year Ended 31-03-2021**

(Amount in Rs. Lakhs)

| Particulars | Financial Year<br>31-03-2021 | Financial Year<br>31-03-2020 |
|-------------|------------------------------|------------------------------|
|-------------|------------------------------|------------------------------|

**Note D: Other Information (Contd...)**

Disclosure of Related Parties &amp; 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 | Designation                           |
|---|---------------------------------------|
| I Shri. Niraj Shishir Shirgaokar  | ... Managing Director (MD)            |
| II Shri. Chandan Sanjeev Shirgaokar   | ... Managing Director (MD)            |
| iii Shri. R. V. Desurkar<br>(Retired on 18.01.2021)   | ... General Manager Finance           |
| iv Shri. B. G. Kulkarni<br>(Retired on 18.01.2021)  | ... General Manager Corp. Affair & CS |
| v Shri. S.V.Bhat (Appointed on 10.02.2021)  | ... Manager Finance                   |
| vi Shri. Tushar Deshpande<br>(Appointed on 10.02.2021)  | ... Company Secretary                 |

**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 Enterprises             | ... 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 Financial Statements for the Financial Year Ended 31-03-2021**

(Amount in Rs. Lakhs)

| Particulars  | Financial Year<br>31-03-2021   | Financial Year<br>31-03-2020 |
|--|--|------------------------------|
| <b>Note D: Other Information (Contd...)</b>  |  |                              |
| <b>3 Enterprises over which KMP or Relatives of KMP are able to exercise significant influence</b> |  |                              |
| <b>Name of the related party</b>   | <b>Nature of relationship</b>  |                              |
| i S. B. Reshellers Pvt. Ltd.   | Shri. R.V.Shirgaokar-Brother of Director, Shri. P.V.Shirgaokar-Director, Shri. Shishir Shirgaokar-Chairman, Shri. Niraj Shirgaokar-MD, Shri. Chandan Shirgaokar-MD, Shri. Sachin Shirgaokar and Shri. Sohan Shirgaokar are the Directors.  |                              |
| ii Sangli Fabricators Pvt Ltd  | Director Shri. Sachin Shirgaokar & Shri. Sohan S. Shirgaokar are Designated Partners.  |                              |
| iii Tara Tiles Pvt Ltd.  | Chairman Shri. Shishir Shirgaokar, Director Shri. P. V. Shirgaokar and Shri. Sachin R. Shirgaokar are Directors.   |                              |
| iv Ugar Pipe Industries Pvt. Ltd.  | Chairman Shri. Shishir S. Shirgaokar, MD- Shri. Chandan S. Shirgaokar, and Director Shri. P.V. Shirgaokar is Director.   |                              |
| v D.M. Shirgaokar Enterprises (LLP) Pvt. Ltd.  | Chairman Shri. Shishir S. Shirgaokar, MD- Shri.Chandan S. Shirgaokar, Director Shri. Sohan S. Shirgaokar and Smt. Radhika S. Shirgaokar are the designated Partners.   |                              |
| vi Shishir Shirgaokar Enterprises (LLP) Pvt. Ltd.  | Chairman Shri. Shishir s. Shirgaokar, MD- Shri. Niraj S. Shirgaokar, Wife of Chairman and Mother of MD Mrs. Savita S. Shirgaokar and wife of MD Mrs. Asawari N. Shirgaokar are the Designated Partners.  |                              |
| vii Suresh Shirgaokar Enterprises (LLP) Pvt. Ltd.  | Chairman Shri. Shishir S. Shirgaokar, MD- Shri.Niraj S. Shirgaokar, Director Shri. Sohan S. Shirgaokar, Mother of Director & MD Smt. Radhikar S. Shirgaokar, Wife of MD Mrs. Geetali C. Shirgaokar and Wife of Director Shri. Sohan S. Shirgaokar Mrs. Gauri Sohan Shirgaokar are the Designated Partners. |                              |
| 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 is Designated Partners.  |                              |
| ix Synergy Green Industries Ltd.   | Chairman- Shri. Shishir S. Shirgaokar, MD-Shri. Chandan S. Shirgaokar, Directors Shri.Sachin R. Shirgaokar, Shri.Sohan S. Shirgaokar and Dr. M.R.Desai are Directors.  |                              |

**Notes to Financial Statements for the Financial Year Ended 31-03-2021****NOTE D: Other Information (contd...)****Disclosure of Related Parties and Related Party Transactions**

(Amount in Rs. Lakhs)

| Sr. No. | Nature of Transaction                               | Subsidiary Companies |         | Key Management Personnel |         | Relatives of KMP |         | Related Parties referred to in 3 above |         | Total   |         |
|---------|---|----------------------|---------|--------------------------|---------|------------------|---------|--|---------|---------|---------|
|         |   | 2020-21              | 2019-20 | 2020-21                  | 2019-20 | 2020-21          | 2019-20 | 2020-21                                | 2019-20 | 2020-21 | 2019-20 |
| 1       | Remuneration Paid<br>Commission                     | —                    | —       | 571.83                   | 452.28  | —                | —       | —                                      | —       | 571.83  | 452.28  |
| 2       | Sitting Fees  | —                    | —       | —                        | —       | 2.70             | 2.20    | —                                      | —       | 2.70    | 2.20    |
| 3       | Purchase of Plant &<br>Machinery & Spares           | —                    | —       | —                        | —       | —                | —       | 394.41                                 | 496.26  | 394.41  | 496.26  |
| 4       | Sales- Others/<br>Consultancy                       | —                    | —       | —                        | —       | —                | —       | 4.42                                   | 3.65    | 4.42    | 3.65    |
| 5       | Exempt Deposits<br>from Directors                   | —                    | —       | 250.00                   | —       | 11.98            | 28.02   | —                                      | —       | 261.98  | 28.02   |
| 6       | Deposits Refunded/<br>Paid                          | —                    | —       | 150.00                   | —       | —                | 28.02   | —                                      | —       | 150.00  | 28.02   |
| 7       | Interest Paid                                       | —                    | —       | 7.64                     | —       | 2.91             | 2.67    | —                                      | —       | 10.55   | 2.67    |
| 8       | Dividend Paid                                       | —                    | —       | 0.90                     | —       | 3.35             | —       | 25.97                                  | —       | 30.22   | —       |
| 9       | Warehousing<br>Charges/Rent Paid                    | 2.50                 | 2.50    | —                        | —       | 44.16            | 44.16   | —                                      | —       | 46.66   | 46.66   |
| 10      | Advance in the<br>nature of<br>Reimbursement.       | —                    | —       | 7.97                     | 3.86    | —                | —       | —                                      | —       | 7.97    | 3.86    |
| 11      | Advance Returned /<br>Repaid                        | —                    | —       | 9.30                     | 11.86   | —                | —       | —                                      | —       | 9.30    | 11.86   |
|         | Outstanding<br>Balances as on<br>31.03.2021 Payable | 1.64                 | 1.19    | 1.14                     | —       | 0.29             | 0.25    | —                                      | —       | 3.07    | 1.44    |
|         | Receivable  | —                    | —       | 0.52                     | 0.24    | 0.86             | 0.86    | 7.38                                   | 45.13   | 8.76    | 46.23   |

**Notes to Financial Statements for the Financial Year Ended 31-03-2021****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 31-03-2021:

| S.No. | Description   | 31-03-2021<br>Rs. Lakhs | 31-03-2020<br>Rs. Lakhs |
|-------|---|-------------------------|-------------------------|
| i     | Principal amount remaining unpaid to such suppliers as at the year end.   | 19.66                   | 17.28                   |
| 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.                | 0.06                    | 0.02                    |
| v.    | Amount of interest accrued during the year and remaining unpaid at the year end.  | 0.06                    | 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:**

| SI. No. | Name of the Company     | Loans & Advances                    |   | Investments  |  |
|---------|-------------------------|-------------------------------------|---|--|--|
|         |                         | Amount outstanding as at 31.03.2021 | Maximum Balance Outstanding during the year | In Equity Shares amount outstanding as at 31/03/2021 | In Equity Shares amount outstanding as at 31/03/2020 |
|         | Subsidiary              |                                     |   |  |  |
| i.      | Ugar Theatres Pvt. Ltd. | 1.64                                | 1.19  | 48.68  | 48.68  |

Note:

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

**14. FINANCIAL INSTRUMENTS****14.1 Capital Management:**

The Company's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders and maintain an optimal capital structure to reduce the cost of capital. In order to

**Notes to Financial Statements for the Financial Year Ended 31-03-2021****NOTE D : Other Information (contd...)**

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. Lakhs)

| Particulars  | Carrying Amount   |                   | Fair Value        |                   |
|--|-------------------|-------------------|-------------------|-------------------|
|  | March 31,<br>2021 | March 31,<br>2020 | March 31,<br>2021 | March 31,<br>2020 |
| <b>FINANCIAL ASSETS</b>                            |                   |                   |                   |                   |
| Fair value through Profit and Loss Account (FVTPL) |                   |                   |                   |                   |
| Investments  | 361.08            | 364.65            | 361.08            | 364.65            |
| Amortised Cost                                     |                   |                   |                   |                   |
| Investments  | 59.45             | 53.70             | 59.45             | 53.70             |
| Non-Current Assets                                 |                   |                   |                   |                   |
| Security Deposit                                   | 64.66             | 63.97             | 64.66             | 63.97             |
| Loans and advances                                 | 3.50              | 3.50              | 3.50              | 3.50              |
| Current Assets                                     |                   |                   |                   |                   |
| Trade receivable                                   | 4,927.65          | 1,153.54          | 4,927.65          | 1,153.54          |
| Cash in hand                                       | 15.12             | 16.41             | 15.12             | 16.41             |
| Balance with banks in current account              | 520.90            | 974.19            | 520.90            | 974.19            |
| Bank balances other than above                     | 128.69            | 141.57            | 128.69            | 141.57            |

(Amount in Rs. Lakhs)

| Particulars                       | Carrying Amount   |                   | Fair Value        |                   |
|-----------------------------------|-------------------|-------------------|-------------------|-------------------|
|                                   | March 31,<br>2021 | March 31,<br>2020 | March 31,<br>2021 | March 31,<br>2020 |
| Accrued Interest on Bank Deposits | 6.01              | 6.83              | 6.01              | 6.83              |
| <b>FINANCIAL LIABILITIES</b>      |                   |                   |                   |                   |
| Amortised cost                    |                   |                   |                   |                   |
| <b>Non-Current Liabilities</b>    |                   |                   |                   |                   |
| Borrowing                         | 7,038.43          | 4,848.25          | 7,038.43          | 4,848.25          |
| Current liabilities               |                   |                   |                   |                   |
| Short-term Borrowing              | 43,937.90         | 36,619.77         | 43,937.90         | 36,619.77         |
| Trade and other payables          | 11,746.69         | 17,297.41         | 11,746.69         | 17,297.41         |
| Other Financial Liabilities       | 10,837.95         | 10,854.38         | 10,837.95         | 10,854.38         |



## Notes to Financial Statements for the Financial Year Ended 31-03-2021

### 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.

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.

**Notes to Financial Statements for the Financial Year Ended 31-03-2021****NOTE D : Other Information (contd...)****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. Lakhs)**

| Particulars                              | March 31, 2021        |                  |                      |                         |                      | Total<br>Mar 2021 |
|--|-----------------------|------------------|----------------------|-------------------------|----------------------|-------------------|
|  | Less than 3<br>months | 3 to 6<br>months | 6 month to<br>1 year | Between 1<br>and 2 year | More than 2<br>years |                   |
| Financial Assets                         |                       |                  |                      |                         |                      |                   |
| Non – derivative                         |                       |                  |                      |                         |                      |                   |
| Non-Current Assets                       |                       |                  |                      |                         |                      |                   |
| Investments                              |                       |                  |                      | 420.53                  |                      | 420.53            |
| Security Deposit                         |                       |                  | –                    |                         | 64.66                | 64.66             |
| Loans and advances                       |                       |                  |                      | 3.50                    |                      | 3.50              |
| Current Assets                           |                       |                  |                      |                         |                      |                   |
| Trade receivable                         | 4927.65               |                  |                      |                         |                      | 4,927.65          |
| Cash in hand                             | 15.12                 |                  |                      |                         |                      | 15.12             |
| Balance with banks<br>in current account | 520.90                |                  |                      |                         |                      | 520.90            |
| Bank balances other<br>than above        | 30.68                 | –                | –                    | 98.01                   |                      | 128.69            |
| Accrued Interest on<br>Bank Deposits     | 6.01                  | –                | –                    | –                       | –                    | 6.01              |
| Financial Liabilities                    |                       |                  |                      |                         |                      |                   |
| Non-Current<br>Liabilities               |                       |                  |                      |                         |                      |                   |
| Borrowing                                |                       |                  |                      |                         | 7,038.43             | 7,038.43          |
| Current liabilities                      |                       |                  |                      |                         |                      |                   |
| Short-term Borrowing                     | 43,937.90             |                  |                      |                         |                      | 43,937.90         |
| Trade Payable                            | 11,746.69             |                  |                      |                         |                      | 11,746.69         |
| Other Financial<br>Liabilities           | 10,837.95             |                  |                      |                         |                      | 10,837.95         |

**Notes to Financial Statements for the Financial Year Ended 31-03-2021****NOTE D : Other Information (contd...)**

(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                           |                    |               |                   | 418.35               |                   | 418.35         |
| Security Deposit                      |                    |               | –                 | 0.40                 | 63.57             | 63.97          |
| Current Assets                        |                    |               |                   |                      |                   |                |
| Trade receivable                      | 1,153.54           |               |                   |                      |                   | 2,831.35       |
| Cash in hand                          | 16.41              |               |                   |                      |                   | 16.41          |
| Balance with banks in current account | 974.19             |               |                   |                      |                   | 974.19         |
| Bank balances other than above        | 31.30              | –             | –                 | 110.27               |                   | 141.57         |
| Accrued Interest on Bank Deposits     | 6.83               | –             | –                 | –                    | –                 | 6.83           |
| Financial Liabilities                 |                    |               |                   |                      |                   |                |
| Non-Current Liabilities               |                    |               |                   |                      |                   |                |
| Borrowing                             |                    |               |                   |                      | 4,848.25          | 4,848.25       |
| Current liabilities                   |                    |               |                   |                      |                   |                |
| Short-term Borrowing                  | 36,619.77          |               |                   |                      |                   | 36,619.77      |
| Trade Payable                         | 17,297.41          |               |                   |                      |                   | 20,639.72      |
| Other Financial Liabilities           | 10,854.38          |               |                   |                      |                   | 10,871.51      |

**15. Taxes on income**

The major components of Income Tax Expense for the year ended March 2021 and March 2020 are:

## (i) Statement of Profit or Loss

(Amount in Rs. Lakhs)

| Particulars                                       | March 31, 2021 | March 31, 2020 |
|---|----------------|----------------|
| Current Tax                                       | 309.18         | –              |
| Short/(Excess) provision of tax for earlier years | –              | –              |
| Deferred Tax                                      | (154.35)       | 13.85          |
| Total Income Tax Expense                          | 154.83         | 13.85          |

**Notes to Financial Statements for the Financial Year Ended 31-03-2021****NOTE D : Other Information (contd...)**

(ii) Other Comprehensive Income

(Amount in Rs. Lakhs)

| Particulars   | March 31, 2021 | March 31, 2020 |
|---|----------------|----------------|
| Deferred Tax relating to Net Gain/(Loss) on re-measurement of defined benefit plans | 7.63           | 68.91          |

(iii) Movement of deferred tax

(Amount in Rs. Lakhs)

| Particulars   | 31-03-2021      |                                 |                   |                 |
|---|-----------------|---------------------------------|-------------------|-----------------|
|   | Opening Balance | Recognised in profit and (Loss) | Recognised in OCI | Closing Balance |
| Tax effect of items constituting deferred tax liabilities |                 |                                 |                   |                 |
| Property, Plant and Equipment                             | (1907.38)       | 20.60                           | -                 | (1,886.78)      |
| Subtotal of Deferred Tax Liabilities                      | (1907.38)       | 20.60                           | -                 | (1,886.78)      |
| Tax effect of items constituting deferred tax assets      |                 |                                 |                   |                 |
| Provisions  | 177.27          | 2.11                            | -                 | 179.38          |
| Other Items   | 654.91          | 131.64                          | 7.63              | 794.18          |
| Subtotal of Deferred Tax Asset                            | 832.18          | 133.75                          | 7.63              | 973.56          |
| Net Deferred Tax Asset/ (Liabilities)                     | (1075.20)       | 154.35                          | 7.63              | (913.22)        |

(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                             | (1867.96)       | (39.42)                         |                   | (1,907.3)       |
| Subtotal of Deferred Tax Liabilities                      | (1867.96)       | (39.42)                         | -                 | (1,907.38)      |
| 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             | (1,075.20)      |

## Notes to Financial Statements for the Financial Year Ended 31-03-2021

### NOTE D : Other Information (contd...)

16. 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.
17. 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.  
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.
18. Figures of the previous year have been regrouped / rearranged / recast where necessary.

---

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 : 28-05-2021

**Niraj S. Shirgaokar**  
MD (DIN-00254525)

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

Place : Regd. office Sangli  
Date : 28-05-2021

**Chandan S. Shirgaokar**  
MD (DIN-00208200)

**Tushar V. Deshpande**  
Company Secretary  
(ACS - 45586)

## 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, 2021, 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 the Notes to the Consolidated Financial Statements including 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, 2021, 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. For each matter below, our description of how our Audit addressed the matter is provided in that context. We have determined the matters described below to be the key audit matters to be communicated in our report.



| Sr. No. | Key Audit Matter   | How the matter was addressed in the audit   |
|---------|--|---|
| 1.      | <p><b>Accounting for Government Subsidy</b></p> <p>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. 4,555.82 Lakhs and Buffer stock subsidy of Rs. 3,765.92 Lakhs which are significant to the Consolidated Financial Statements.</p>   | <p>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.</p> <ul style="list-style-type: none"> <li>• 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.</li> <li>• We understood the basis of judgement that the Management has made in relation to the notification and subsequent evidence, as applicable.</li> <li>• We considered the notifications issued by Government of India’s Ministry of Consumer Affairs, Food &amp; Public Distribution to ascertain the appropriateness of the recognition of subsidy revenue and subsequent adjustments on account of uncertainty of recoverability.</li> <li>• We tested the ageing of related receivables and assessed the information used by the Management to determine its recoverability.</li> </ul> <p>Based on above procedures performed, we concluded that the Government subsidy is appropriately accounted for.</p> |
| 2.      | <p><b>Contingent Liability</b></p> <p>The Holding Company is involved in direct and indirect tax litigations of Rs. 728.99 Lakhs. The Holding Company has also provided Corporate guarantee of Rs. 7,900 Lakhs to the Bankers for Harvesting and Transportation Loan.</p> <p>Whether the liability is recognized or disclosed as a contingent liability is inherently judgmental and dependent on assumptions and assessment. We placed specific focus on the judgements in respect to these demands against the 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)</p> | <p>Our procedures included, but were not limited to, the following:</p> <ul style="list-style-type: none"> <li>• Obtained an understanding from the management with respect to process and controls followed by the Holding Company for identification and monitoring of significant developments in relation to the litigations, including completeness thereof.</li> <li>• Obtained the list of litigations from the management and reviewed their assessment of the likelihood of outflow of economic resources being probable, possible or remote in respect of the litigations.</li> <li>• Assessed management’s discussions held with their legal consultants and understanding precedents in similar cases.</li> <li>• We verified the appropriateness of the accounting policies, disclosures related to provisions for sub judice matters and details of contingent liabilities in notes D(1) (b), (c) and (d) respectively in the Consolidated financial statements</li> </ul>  |

| Sr. No. | Key Audit Matter   | How the matter was addressed in the audit   |
|---------|--|---|
| 3.      | <p><b>Valuation of Sugar Inventory</b></p> <p>Manufacturing of Sugar is complex process which leads to generation of certain joint products and by products which are used for generation of other products, sold in the market as well as used as input in the manufacturing of Sugar. The valuation requires use of management's judgements and assumptions regarding elimination of inter-divisional profits, allocation of costs of production between joint products based on their relative sales value and net realisable value (NRV) of different products which is further dependent upon the market conditions, minimum selling prices, subsequent inventory sale data, current sale prices, notifications/press releases from the government authorities, technical estimates of expected recovery of final products being produced and incremental cost of products manufactured using joint products. These assumptions are subject to inherent uncertainties since they are likely to be influenced by nature and economic factors including uncertainties that may affect the industry on the whole</p> <p>Owing to the significance of the carrying value of Sugar inventories (Rs. 56,189.06 Lakhs), the complexities discussed above and the fact that any changes in the management's judgement or assumptions is likely to have a significant impact on the ascertainment of carrying values of inventories, we have considered this area as a key audit matter.</p> | <p>We applied the following audit procedures in this area, among others, to obtain sufficient appropriate audit evidence:</p> <ul style="list-style-type: none"> <li>• Evaluated the accounting policy of sugar inventory in terms of relevant accounting standard;</li> <li>• Tested the design, implementation and operating effectiveness of the Holding Company's key controls over computation of cost of sugar inventory for each sugar mill;</li> <li>• Assessed the appropriateness of the principles used in the valuation of Inventory and analysed the reasonableness of significant judgements/ assumptions used by the management in their valuation models along with their consistency based on historical/industrial data trends such as sugar recovery rates, generation of Molasses and Bagasse.</li> <li>• Tested the cost sheet data of both Sugar Plant. We assessed the adequacy of the method used, relevance and reliability of data and the formula applied for determining the cost of sugar inventory. This included the basis of allocation of cost to by-products based on Net Realizable Value (NRV). In addition, we assessed the impact of notifications/ orders of the regulators on cost of sugar inventory. For cost of conversion, we assessed the impact of variability in seasonal factors including number of Sugarcane crushing days and recovery of sugar from cane.</li> <li>• Attended the Physical Inventory verification for the year ended 31<sup>st</sup> March 2021 and performed test counts at both the Sugar Plant.</li> </ul> |

**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.

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

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. When we read Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's Information, If we conclude that there is a Material Misstatement therein, we are required to communicate the matter to those charged with Governance.

**Management's Responsibility for the Consolidated financial statements**

The Holding Company's Management and Board of Directors are 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.

Materiality is the magnitude of misstatements in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the 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 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. 170.10 Lakhs as at March 31, 2021, total revenue of Rs. 3.84 Lakhs and net cash outflows amounting to Rs.0.90 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.0.18 Lakhs for the year ended March 31, 2021. These financial statements and other financial information have been audited by other auditor whose report 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 report of the other auditor.

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 report of the other auditor.

### **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 auditor 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 auditor.
  - 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 March 31, 2021 taken on record by the Board of Directors of the Holding company, and the report of the statutory auditor of subsidiary company, none of the directors of the Group is disqualified as on March 31, 2021 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 unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting report of the Holding company and subsidiary company.
2. 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 based on the consideration of report of other statutory auditor of the subsidiary, the managerial remuneration for the year ended March 31, 2021 has been paid / provided by the Holding Company, its subsidiary to their directors in accordance with the provisions of Section 197 read with Schedule V to the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.
3. 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 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 Registration No.105215W/W100057

Place : Pune  
Date : 28-05-2021

**Parag Pansare**  
Partner  
Membership No. 117309  
UDIN: 21117309AAAAJN4673



## **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, 2021 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 auditor 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.

#### **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 auditor 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 2021 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, 2021 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 auditor of such companies incorporated in India.

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

Place : Pune  
Date : 28-05-2021

**Parag Pansare**  
Partner  
Membership No. 117309  
UDIN: 21117309AAAAJN4673

**Consolidated Balance Sheet as at 31<sup>st</sup> March, 2021**

(Amount in Rs. Lakhs)

| Particulars                          | Ref. to<br>Notes | As At<br>31 March 2021 | As At<br>31 March 2020 |
|--------------------------------------|------------------|------------------------|------------------------|
| <b>ASSETS</b>                        |                  |                        |                        |
| Non-current Assets                   |                  |                        |                        |
| Tangible Assets                      |                  |                        |                        |
| Property, plant and equipment        | 1A               | 12,833.05              | 13,727.38              |
| Capital work in progress             | 1A               | 259.61                 | 84.54                  |
| Investment property                  | 1B               | 7.56                   | 8.04                   |
| Intangible Assets                    |                  |                        |                        |
| Other Intangible assets              | 2                | 2.80                   | 5.27                   |
| Financial assets                     |                  |                        |                        |
| Non - Current Investments            | 3A               | 371.85                 | 369.68                 |
| Non - Current Loans & Advances       | 4A               | 3.50                   | 3.50                   |
| Other Non - Current Financial Assets | 5A               | 64.77                  | 64.07                  |
| Other non-current assets             | 6                | 381.12                 | 362.18                 |
| Current Assets                       |                  |                        |                        |
| Inventories                          | 7                | 63,511.28              | 58,776.68              |
| Financial Assets                     |                  |                        |                        |
| Trade receivables                    | 8                | 4,933.93               | 1,154.79               |
| Cash and cash equivalents            | 9A               | 542.09                 | 997.56                 |
| Bank balances other than above       | 9B               | 128.69                 | 141.57                 |
| Other current financial assets       | 5B               | 6.01                   | 6.83                   |
| Current Tax Assets (net)             | 10               | 100.78                 | 459.17                 |
| Other current assets                 | 11               | 6,195.70               | 6,956.59               |
| <b>Total</b>                         |                  | <b>89,342.74</b>       | <b>83,117.85</b>       |
| <b>EQUITY AND LIABILITIES</b>        |                  |                        |                        |
| Equity                               |                  |                        |                        |
| Equity Share Capital                 | 12               | 1,125.00               | 1,125.00               |
| Other Equity                         |                  |                        |                        |
| Share Premium                        | 13A              | 1,575.00               | 1,575.00               |
| Retained Earnings                    | 13A              | 2,969.45               | 1,376.05               |
| Other Reserves                       | 13A              | 2,391.60               | 2,392.09               |
| Other Comprehensive Income           | 13B              | (11.06)                | 17.39                  |
| Non-current Liabilities              |                  |                        |                        |
| Financial Liabilities                |                  |                        |                        |
| Long Term Borrowings                 | 14A              | 7,038.43               | 4,848.25               |
| Long Term Provisions                 | 15A              | 371.76                 | 360.05                 |

**Consolidated Balance Sheet as at 31<sup>st</sup> March, 2021**

(Amount in Rs. Lakhs)

| Particulars  | Ref. to<br>Notes | As At<br>31 March 2021 | As At<br>31 March 2020 |
|--|------------------|------------------------|------------------------|
| Deferred tax liabilities (Net)   | 16B              | 934.26                 | 1,081.16               |
| Current Liabilities  |                  |                        |                        |
| Financial Liabilities  |                  |                        |                        |
| Borrowings   | 14B              | 43,937.90              | 36,619.75              |
| Trade payables   | 17A              |                        |                        |
| Total outstanding dues of micro enterprises<br>and small enterprises         |                  | 19.66                  | 17.28                  |
| Total outstanding dues other than micro<br>enterprises and small enterprises |                  | 11,517.06              | 17,101.22              |
| Other payables   |                  |                        |                        |
| Total outstanding dues of micro enterprises<br>and small enterprises         |                  |                        | -                      |
| Total outstanding dues other than micro<br>enterprises and small enterprises | 17B              | 213.09                 | 179.74                 |
| Other financial liabilities  | 18               | 10,837.99              | 10,854.43              |
| Provisions   | 15B              | 1,459.31               | 1,464.65               |
| Other current liabilities  | 19               | 4,963.29               | 4,105.79               |
| <b>Total</b>   |                  | <b>89,342.74</b>       | <b>83,117.85</b>       |
| See accompanying notes forming part of the<br>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 : 28-05-2021

**Niraj S. Shirgaokar**

MD (DIN-00254525)

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

Place : Regd. office Sangli

Date : 28-05-2021

**Chandan S. Shirgaokar**

MD (DIN-00208200)

**Tushar V. Deshpande**Company Secretary  
(ACS - 45586)

**Consolidated Statement of Profit and Loss Account for the year ending 31<sup>st</sup> March 2021**

(Amount in Rs. Lakhs)

| Particulars  | Ref. to<br>Notes | For the year ended<br>31 March 2021 | For the year ended<br>31 March 2020 |
|--|------------------|-------------------------------------|-------------------------------------|
| <b>Continuing Operations</b>   |                  |                                     |                                     |
| I Revenue From Operations  | 20               | 1,11,796.48                         | 1,01,101.19                         |
| II Other Income  | 21               | 586.52                              | 281.19                              |
| <b>III Total Income (I+II)</b>   |                  | <b>1,12,383.00</b>                  | <b>1,01,382.38</b>                  |
| <b>IV Expenses</b>   |                  |                                     |                                     |
| (a) Cost of materials consumed   | 22A              | 77,572.53                           | 57,243.99                           |
| (b) Other Manufacturing Expenses   | 22B              | 2,219.92                            | 2,389.03                            |
| (c) Purchases of Stock-in-Trade  | 23               | 3,930.52                            | 3,521.15                            |
| (d) Changes in inventories of finished goods,<br>Stock-in-Trade and work-in-progress           | 24               | (4,320.56)                          | 7,110.31                            |
| (e) Employee benefits expenses   | 25               | 6,949.56                            | 6,998.36                            |
| (f) Finance costs  | 26               | 4,261.30                            | 4,313.25                            |
| (g) Excise Duty on Goods Sold  |                  | 16,245.12                           | 14,062.75                           |
| (h) Depreciation and amortization expense  | 27               | 1,242.62                            | 1,374.55                            |
| (i) Other expenses   | 28               | 2,421.86                            | 2,978.45                            |
| <b>Total expenses (IV)</b>   |                  | <b>1,10,522.87</b>                  | <b>99,991.84</b>                    |
| V Profit/(loss) before exceptional<br>items and tax from continuing operations                 |                  | 1,860.13                            | 1,390.54                            |
| VI Exceptional Items   |                  | -                                   |                                     |
| Profit/(loss) before tax from continuing operations  |                  | 1,860.13                            | 1,390.54                            |
| Tax expense:   |                  |                                     |                                     |
| (1) Current tax  | 16A              | 309.44                              | -                                   |
| (2) Deferred tax   | 16 A             | (154.37)                            | 14.00                               |
| (3) Short/(Excess) Provision for earlier years   |                  | -                                   | -                                   |
| <b>Profit/(Loss) for the period</b>  |                  | <b>1,705.06</b>                     | <b>1,376.54</b>                     |
| <b>Other Comprehensive Income</b>  |                  |                                     |                                     |
| A. Other Comprehensive Income to be reclassified to<br>profit or loss in subsequent periods    |                  |                                     |                                     |
| (i) Items that will be reclassified to profit or loss  |                  | -                                   | -                                   |
| (ii) Income tax relating to items that will be<br>reclassified to profit or loss               |                  | -                                   | -                                   |
| Net Other Comprehensive Income to be<br>reclassified to profit or loss in subsequent periods - |                  | -                                   | -                                   |

**Consolidated Statement of Profit and Loss Account for the year ending 31<sup>st</sup> March 2021**

(Amount in Rs. Lakhs)

| Particulars   | Ref. to<br>Notes | For the year ended<br>31 March 2021 | For the year ended<br>31 March 2020 |
|---|------------------|-------------------------------------|-------------------------------------|
| B. Other Comprehensive Income not to be reclassified to profit or loss in subsequent periods  |                  |                                     |                                     |
| (i) Items that will not be reclassified to profit or loss                                     |                  | (21.60)                             | (195.76)                            |
| (ii) Income tax relating to items that will not be reclassified to profit or loss             | 16A              | (7.68)                              | 68.91                               |
| Net Other Comprehensive Income not to be reclassified to profit or loss in subsequent periods |                  | (29.28)                             | (126.85)                            |
| Other Comprehensive Income (net of tax)   |                  | (29.28)                             | (126.85)                            |
| Total Comprehensive Income for the year (net of tax)  |                  | 1,675.78                            | 1,249.69                            |
| Earnings per share (Nominal Value per share Rs. 1)  |                  |                                     |                                     |
| Basic computed on the basis of profit   |                  | 1.52                                | 1.22                                |
| Diluted computed on the basis of profit   |                  | 1.52                                | 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 : 28-05-2021

**Niraj S. Shirgaokar**  
MD (DIN-00254525)

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

Place : Regd. office Sangli  
Date : 28-05-2021

**Chandan S. Shirgaokar**  
MD (DIN-00208200)

**Tushar V. Deshpande**  
Company Secretary  
(ACS - 45586)



**Consolidated Statement of Cash Flows For The Year Ended 31<sup>st</sup> March 2021**

(Amount in Rs. Lakhs)

| Particulars   | For the year ended<br>31 March 2021 | For the year ended<br>31 March 2020 |
|---|-------------------------------------|-------------------------------------|
| A. Net profit before tax and extraordinary items                            | 1,860.13                            | 1,390.54                            |
| Adjustment for:   |                                     |                                     |
| Depreciation and amortization expense                                       | 1,242.62                            | 1,374.55                            |
| Provision for Doubtful Debts Bad debts and<br>Sundry Advances Written off   | 6.03                                | 123.85                              |
| Bad debts and Sundry Advances Written off                                   | 21.67                               | 2.15                                |
| Loss/Gain on Disposal/Adjustment of PPE                                     | 15.49                               | 291.46                              |
| Finance Costs   | 4,261.30                            | 4,313.25                            |
| Unrealised Loss on Units and Preference Shares                              | 4.62                                | 3.40                                |
| Investment Income   | (67.94)                             | (13.01)                             |
| Operating profit before working capital changes                             | 7,343.92                            | 7,486.19                            |
| Decrease/ (Increase) in trade receivables,<br>advances and other assets     | (2,975.16)                          | (2,690.82)                          |
| Decrease/ (Increase) in Inventories   | (4,734.61)                          | 6,940.87                            |
| Increase/ (Decrease) in trade payables,<br>provisions and other liabilities | (7,459.68)                          | (7,274.37)                          |
| Cash Generated from operations  | (7,825.53)                          | 4,461.87                            |
| Direct Tax paid (Net of Refund)   | 48.95                               | (2.59)                              |
| Cash flow before extraordinary items  | (7,776.58)                          | 4,459.28                            |
| Extraordinary items   | -                                   | -                                   |
| Net cash from Operating activities  | (7,776.58)                          | 4,459.28                            |
| B. Cash flow from investing activities                                      |                                     |                                     |
| Purchase of property, plant and equipment                                   | (610.92)                            | (134.33)                            |
| Purchase / Sale of Investments  | (1.04)                              | (0.73)                              |
| Advance Given for Investment  | (5.75)                              | -                                   |
| Interest and Dividend received  | 67.12                               | 10.08                               |
| Net cash from investing activities  | (550.59)                            | (124.98)                            |
| C. Cash flow from financing activities                                      |                                     |                                     |
| Interest paid   | (4,189.16)                          | (4,302.75)                          |
| Proceeds / (Repayment) from long term<br>borrowings (net)                   | 4,855.23                            | 4,848.25                            |
| Proceeds / (Repayment) from short term<br>borrowings (net)                  | 7,318.13                            | (4,234.67)                          |
| Dividend Paid   | (112.50)                            | -                                   |
| Net cash from Financing activities  | 7,871.70                            | (3,689.17)                          |
| D. Net increase/(decrease) in Cash and Cash<br>equivalents (A+B+C)          | (455.47)                            | 645.13                              |
| E. Opening Cash and Cash equivalents  | 997.56                              | 345.36                              |
| Upon addition of Subsidiaries   | -                                   | 7.07                                |
| F. Closing Cash and Cash equivalents  | 542.09                              | 997.56                              |

**Notes to Cash Flow Statement**

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

As per our separate report of even date.

For **M/s Kirtane & Pandit LLP**  
Chartered Accountants  
Firm Regn. No. 105215W/W100057

**Parag Pansare**

Partner  
Memb. No. 117309

Place : Pune  
Date : 28-05-2021

**Niraj S. Shirgaokar**  
MD (DIN-00254525)

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

**Chandan S. Shirgaokar**  
MD (DIN-00208200)

**Tushar V. Deshpande**  
Company Secretary  
(ACS - 45586)

Place : Regd. office Sangli  
Date : 28-05-2021

**Consolidated Statement of Changes in Other Equity For the year ended 31<sup>st</sup> March 2021**

(Amount in Rs. Lakhs)

| Particulars   | Equity Share Capital | Reserves and Surplus |                 |                   |                 | Items of OCI              |                | Total           |
|---|----------------------|----------------------|-----------------|-------------------|-----------------|---------------------------|----------------|-----------------|
|   |                      | Share Premium        | General Reserve | Retained Earnings | Capital Reserve | Asset Revaluation Reserve | Others         |                 |
| As at 1 <sup>st</sup> April 2019                      | 1,125.00             | 1,575.00             | 8,351.31        | (6,083.73)        |                 |                           | 145.68         | 5,113.26        |
| Profit for the period                                 |                      |                      | 1,376.54        |                   |                 |                           | (128.29)       | 1,376.54        |
| Actuarial (Loss) Net of Tax                           |                      |                      |                 |                   |                 |                           |                | (128.29)        |
| Less : Transfer to General Reserve for setting off    |                      |                      | 6,083.73        |                   | 6,083.73        |                           |                | (6,083.73)      |
| Less : Previous year losses set off                   |                      |                      | (0.49)          |                   |                 | 123.07                    |                | 124.51          |
| On Addition of Subsidiary                             |                      |                      |                 |                   |                 |                           |                | (0.49)          |
| Recoupment from revaluation building                  |                      |                      |                 |                   |                 |                           |                |                 |
| As at 31 <sup>st</sup> March 2020                     | 1,125.00             | 1,575.00             | 2,267.58        | 1,376.05          | 123.07          | 1.44                      | 17.39          | 6,485.53        |
| Less : Dividend for F.Y. 2019-20 paid during the year |                      |                      |                 | (112.50)          |                 |                           |                | (112.50)        |
| Profit for the period                                 |                      |                      |                 | 1,705.06          |                 |                           |                | 1,705.06        |
| Actuarial (Loss) Net of Tax                           |                      |                      |                 | 0.84              |                 |                           | (29.28)        | (29.28)         |
| Recoupment from revaluation building                  |                      |                      |                 |                   |                 | (0.49)                    | 0.83           | 1.18            |
| <b>As at 31<sup>st</sup> March 2021</b>               | <b>1,125.00</b>      | <b>1,575.00</b>      | <b>2,267.58</b> | <b>2,969.45</b>   | <b>123.07</b>   | <b>0.95</b>               | <b>(11.06)</b> | <b>8,049.99</b> |

As per our separate report of even date.

For **M/s Kirtane & Pandit LLP**

Chartered Accountants

Firm Regn. No. 105215W/W100057

**Parag Pansare**

Partner

Memb. No. 117309

Place : Pune

Date : 28-05-2021

**Niraj S. Shirgaokar**

MD (DIN-00254525)

**Chandan S. Shirgaokar**

MD (DIN-00208200)

**Shrikanta V. Bhat**

Manager-Finance  
(ACA-222060)

**Tushar V. Deshpande**

Company Secretary  
(ACS - 45586)

Place : Regd. office Sangli

Date : 28-05-2021

**Notes to Consolidated financial statements for the year ended 31<sup>st</sup> March, 2021****Note No. 1 Tangible Assets****1A. Property Plant and Equipment**

(Amount in Rs. Lakhs)

| Particulars   | Free hold Land | Building | Plant and Equipment (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     | 50.31                             | 103.68                   |
| Assets of Ugar Theatre                                    | 147.70         | 23.75    | -                           | -                 | -        | 171.45                            | -                        |
| Disposal/Adjustment 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 | 45,018.40                   | 494.95            | 955.38   | 50,588.20                         | 84.54                    |
| Additions during 01 April 2020 to 31 March 2021           | -              | 12.38    | 243.35                      | 17.45             | 38.47    | 311.65                            | 254.99                   |
| Disposal/Adjustment during 01 April 2020 to 31 March 2021 | -              | (28.75)  | (53.73)                     | -                 | (13.10)  | (95.58)                           | (79.92)                  |
| Balance as on 31 March 2021                               | 581.20         | 3,521.90 | 45,208.02                   | 512.40            | 980.75   | 50,804.26                         | 259.61                   |
| Accumulated Depreciation                                  |                |          |                             |                   |          |                                   |                          |
| Balance as on 31 March 2019                               | -              | 2,128.70 | 32,707.90                   | 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 2019                               | -              | 2,214.66 | 32,896.20                   | 445.44            | 807.65   | 36,363.96                         | -                        |
| Depreciation charge for the year ended 31 March 2021      | -              | 79.43    | 1,091.58                    | 22.00             | 44.59    | 1,237.60                          | -                        |
| Disposal/Adjustment during 01 April 2020 to 31 March 2021 | -              | (28.06)  | (86.66)                     | -                 | (12.48)  | (127.20)                          | -                        |
| Balance as on 31 March 2021                               | -              | 2,266.03 | 33,901.12                   | 467.44            | 839.76   | 37,474.36                         | -                        |
| Impairment of Assets                                      |                |          |                             |                   |          |                                   |                          |
| Balance as on 01 April 2019                               | -              | -        | 496.86                      | -                 | -        | 496.86                            | -                        |
| Change for the Year 2019-20                               | -              | -        | -                           | -                 | -        | -                                 | -                        |
| Balance as on 31 March 2020                               | -              | -        | 496.86                      | -                 | -        | 496.86                            | -                        |
| Change for the Year 2020-21                               | -              | -        | -                           | -                 | -        | -                                 | -                        |
| Balance as on 31 March 2021                               | -              | -        | 496.86                      | -                 | -        | 496.86                            | -                        |
| Net Book Value  |                |          |                             |                   |          |                                   |                          |
| As on 31.03.2020  | 581.20         | 1,323.61 | 11,625.33                   | 49.51             | 147.73   | 13,727.38                         | 84.54                    |
| As on 31.03.2021  | 581.20         | 1,255.87 | 10,810.04                   | 44.96             | 140.99   | 12,833.05                         | 259.61                   |

**Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2021**

| <b>1B. Investment Property</b>   |               | (Amount in Rs. Lakhs) |
|--|---------------|-----------------------|
| <b>Particulars</b>   | <b>Amount</b> |                       |
| Cost   |               |                       |
| Balance as on 01 April 2019  | 29.82         |                       |
| Additions (subsequent expenditure) during 01 April 2019 to 31 March 2020 | –             |                       |
| Balance as on 31 March 2020  | 29.82         |                       |
| Additions (subsequent expenditure) during 01 April 2020 to 31 March 2021 | –             |                       |
| Balance as on 31 March 2021  | 29.82         |                       |
| Accumulated Depreciation   |               |                       |
| Balance as on 01 April 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         |                       |
| Depreciation charge for the year ended 31 March 2021                     | 0.48          |                       |
| Impairment for the year ended 31 March 2021                              | –             |                       |
| Balance as on 31 March 2021  | 22.26         |                       |
| <b>Net Book Value</b>  |               |                       |
| As on 01.04.2019   | 8.56          |                       |
| As on 31.03.2020   | 8.04          |                       |
| As on 31.03.2021   | 7.56          |                       |

| <b>Note No. 2 Intangible Assets</b>                        |                          | (Amount in Rs. Lakhs) |
|--|--------------------------|-----------------------|
| <b>Particulars</b>   | <b>Computer Software</b> |                       |
| Cost   |                          |                       |
| Balance as on 31 March 2019                                | 203.53                   |                       |
| Additions during 01 April 2019 to 31 March 2020            | –                        |                       |
| Adjustment/Disposals during 01 April 2019 to 31 March 2020 | –                        |                       |
| Balance as on 31 March 2020                                | 203.53                   |                       |
| Additions during 01 April 2020 to 31 March 2021            | 2.07                     |                       |
| Adjustment/Disposals during 01 April 2020 to 31 March 2021 | –                        |                       |
| Balance as on 31 March 2021                                | 205.60                   |                       |
| Accumulated Amortisation and impairment                    |                          |                       |
| Balance as on 1 April 2019                                 | 185.39                   |                       |
| Amortisation during 1 April 2019 to 31 March 2020          | 7.63                     |                       |
| Impairment during 1 April 2019 to 31 March 2020            | 5.24                     |                       |
| Balance as on 31 March 2020                                | 198.26                   |                       |
| Amortisation during 1 April 2020 to 31 March 2021          | 4.54                     |                       |
| Impairment during 01 April 2020 to 31 March 2021           | –                        |                       |
| Balance as on 31 March 2021                                | 202.80                   |                       |
| <b>Net Book Value</b>                                      |                          |                       |
| As on 01.04.2019   | 18.14                    |                       |
| As on 31.03.2020   | 5.27                     |                       |
| <b>As on 31.03.2021</b>                                    | <b>2.80</b>              |                       |

**Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2021**

| <b>Note No. 3A : Non Current Investments</b>  |                                | (Amount in Rs. Lakhs)          |  |
|---|--------------------------------|--------------------------------|--|
| <b>Particulars</b>  | <b>As on<br/>31 March 2021</b> | <b>As on<br/>31 March 2020</b> |  |
| Investments at Fair Value through Profit and Loss   |                                |                                |  |
| a. Investment in Mutual Funds   |                                |                                |  |
| (i) 42634.70 (40,837.91) Units of Rs. 10 each of UTI<br>Balanced Fund (At NAV)  | 12.52                          | 7.79                           |  |
| b. Investment in Preference Shares  |                                |                                |  |
| (ii) 4,75,000 (4,75,000) 10% Cumulative Redeemable<br>Preference Shares of Rs. 100 each of Synergy<br>Green Industries Ltd. (At Fair Value) | 348.56                         | 356.87                         |  |
| <b>Investments at Cost</b>  |                                |                                |  |
| a. Investment in Unquoted Preference Shares   |                                |                                |  |
| (i) 10,00,000 (10,00,000) 8% Cumulative Redeemable Preference<br>Shares of Rs. 10 each of Ugar Quality Packaging Ltd.                       | 100.00                         | 100.00                         |  |
| b. Investment in Unquoted Equity Shares   |                                |                                |  |
| (i) 2,27,500 (2,27,500) Equity Shares of Rs. 10 each of<br>Ugar Quality Packaging Pvt. Ltd.   | 22.75                          | 22.75                          |  |
| (ii) 3,750 (3,750) Shares of Rs. 10 each of Sangli Urban<br>Co-operative Bank Ltd.  | 5.00                           | 5.00                           |  |
| (iii) 30 (30) Shares of Rs. 50 each of Dombivali Nagari Sahakari Bank   | 0.02                           | 0.02                           |  |
| <b>Sub-Total</b>  | <b>27.77</b>                   | <b>27.77</b>                   |  |
| <b>Advance against Purchase of Shares</b>   |                                |                                |  |
| (i) Dombivali Nagari Sahakari Bank  | 5.75                           | –                              |  |
| <b>Sub-Total</b>  | <b>5.75</b>                    | <b>–</b>                       |  |
| Provision for diminution in value of investments  | (122.75)                       | (122.75)                       |  |
| <b>Total</b>  | <b>371.85</b>                  | <b>369.68</b>                  |  |
| Aggregate book value of quoted Investments  | 12.52                          | 7.79                           |  |
| Aggregate market value of quoted Investments  | 12.52                          | 7.79                           |  |
| Aggregate value of unquoted Investments   | 476.33                         | 484.64                         |  |
| Aggregate amount of impairment in the value of investment   | (122.75)                       | (122.75)                       |  |

**Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2021**

| <b>Note No. 4A : Non Current Loans &amp; Advances</b> (Amount in Rs. Lakhs) |                                |                                |
|---|--------------------------------|--------------------------------|
| <b>Particulars</b>  | <b>As on<br/>31 March 2021</b> | <i>As on<br/>31 March 2020</i> |
| Advance to Trusts - Babukaka Shirgaokar Tech. Edu. Trust                    | 3.50                           | 3.50                           |
| <b>Total</b>  | <b>3.50</b>                    | <b>3.50</b>                    |

| <b>Note No. 5A : Other Non Current Financial Assets</b> (Amount in Rs. Lakhs) |                                |                                |
|---|--------------------------------|--------------------------------|
| <b>Particulars</b>  | <b>As on<br/>31 March 2021</b> | <i>As on<br/>31 March 2020</i> |
| Security Deposits considered good   | 64.77                          | 64.07                          |
| Considered Doubtful   | 28.00                          | 28.00                          |
| <b>Sub-Total</b>  | <b>92.77</b>                   | <b>92.07</b>                   |
| Less: Provision for Doubtful  | (28.00)                        | (28.00)                        |
| <b>Total</b>  | <b>64.77</b>                   | <b>64.07</b>                   |

| <b>Note No. 5B : Other Current Financial Assets</b> (Amount in Rs. Lakhs) |                                |                                |
|---|--------------------------------|--------------------------------|
| <b>Particulars</b>  | <b>As on<br/>31 March 2021</b> | <i>As on<br/>31 March 2020</i> |
| Accrued Interest on Bank Deposits & Advances                              | 6.01                           | 6.83                           |
| <b>Total</b>  | <b>6.01</b>                    | <b>6.83</b>                    |

| <b>Note No. 6 - Other Non Current Assets</b> (Amount in Rs. Lakhs) |                                |                                |
|--|--------------------------------|--------------------------------|
| <b>Particulars</b>   | <b>As on<br/>31 March 2021</b> | <i>As on<br/>31 March 2020</i> |
| Long Term Receivables (Unsecured, Considered Good)                 |                                |                                |
| Indirect Tax Receivable (Paid under protest)                       | 42.45                          | 45.31                          |
| Capital Advance Paid to Others                                     | 283.56                         | 263.76                         |
| Security deposits with Government Authorities                      | 55.01                          | 53.01                          |
| Tax Paid in Advance  | 0.10                           | 0.10                           |
| <b>Total</b>   | <b>381.12</b>                  | <b>362.18</b>                  |



**Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2021**

| <b>Note No. 7 - Inventories</b>                              |                                | (Amount in Rs. Lakhs)          |  |
|--|--------------------------------|--------------------------------|--|
| <b>(Refer Note C (i) of Significant Accounting Policies)</b> |                                |                                |  |
| <b>Particulars</b>   | <b>As on<br/>31 March 2021</b> | <i>As on<br/>31 March 2020</i> |  |
| <b>Raw material</b>  |                                |                                |  |
| Crop in Progress   | 22.02                          | 10.57                          |  |
| Other Raw Material   | 123.92                         | 107.87                         |  |
| <b>Finished Goods</b>  |                                |                                |  |
| Sugar, Molasses and Spirit                                   | 61,237.87                      | 56,746.43                      |  |
| Bagasse- Own   | 956.60                         | 628.73                         |  |
| <b>Stock in Trade</b>  |                                |                                |  |
| Petroleum Products   | 64.39                          | 76.12                          |  |
| Stores, Spare Parts and Others                               | 1,106.48                       | 1,206.96                       |  |
| <b>Total</b>   | <b>63,511.28</b>               | <b>58,776.68</b>               |  |

| <b>Note No. 8 : Trade Receivables</b>                       |                                | (Amount in Rs. Lakhs)          |  |
|---|--------------------------------|--------------------------------|--|
| <b>Particulars</b>  | <b>As on<br/>31 March 2021</b> | <i>As on<br/>31 March 2020</i> |  |
| <b>Trade Receivable</b>                                     |                                |                                |  |
| Considered Good   | 4,933.93                       | 1,154.79                       |  |
| Which have signification increase in credit risk (Doubtful) | 125.57                         | 187.44                         |  |
| <b>Total</b>  | <b>5,059.50</b>                | <b>1,342.23</b>                |  |
| Less : Provision for Doubtful debts                         | 125.57                         | 187.44                         |  |
| <b>Total Trade Receivables</b>                              | <b>4,933.93</b>                | <b>1,154.79</b>                |  |

| <b>Note No. 9A : Cash &amp; Cash Equivalents</b> |                                | (Amount in Rs. Lakhs)          |  |
|--|--------------------------------|--------------------------------|--|
| <b>Particulars</b>                               | <b>As on<br/>31 March 2021</b> | <i>As on<br/>31 March 2020</i> |  |
| Cash in Hand                                     | 15.12                          | 16.41                          |  |
| Balances with banks in Current Accounts          | 526.97                         | 981.15                         |  |
| <b>Total</b>                                     | <b>542.09</b>                  | <b>997.56</b>                  |  |

**Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2021**

| <b>Note No. 9B : Bank balances other than above</b> (Amount in Rs. Lakhs) |                                |                                |
|---|--------------------------------|--------------------------------|
| <b>Particulars</b>  | <b>As on<br/>31 March 2021</b> | <b>As on<br/>31 March 2020</b> |
| Unclaimed Dividend Account  | 30.68                          | 31.30                          |
| <b>Balances in Term Deposits :</b>  |                                |                                |
| - For Issue of bank gurantees   | 98.01                          | 110.27                         |
| <b>Total</b>  | <b>128.69</b>                  | <b>141.57</b>                  |

| <b>Note No. 10 : Current Tax Assets (Net)</b> (Amount in Rs. Lakhs) |                                |                                |
|---|--------------------------------|--------------------------------|
| <b>Particulars</b>  | <b>As on<br/>31 March 2021</b> | <b>As on<br/>31 March 2020</b> |
| Advance Payment of Taxes  | 2,366.79                       | 2,415.93                       |
| MAT Credit Receivable   | 407.24                         | 407.24                         |
| <b>Sub-Total</b>  | <b>2,774.03</b>                | <b>2,823.17</b>                |
| Less : Tax Provision  | (2,673.25)                     | (2,364.00)                     |
| <b>Total</b>  | <b>100.78</b>                  | <b>459.17</b>                  |

| <b>Note No. 11 : Other Current Assets</b> (Amount in Rs. Lakhs) |                                |                                |
|---|--------------------------------|--------------------------------|
| <b>Particulars</b>  | <b>As on<br/>31 March 2021</b> | <b>As on<br/>31 March 2020</b> |
| Balances with Government Authorities                            | 162.23                         | 168.25                         |
| Advances to Cultivators and Cane-Growers<br>Considered Good     | 1,379.70                       | 1,316.38                       |
| Considered Doubtful   | 357.01                         | 289.12                         |
| <b>Sub-Total</b>  | <b>1,736.71</b>                | <b>1,605.50</b>                |
| Less: Provision for Doubtful Advances                           | (357.01)                       | (289.12)                       |
| <b>Sub-Total</b>  | <b>1,379.70</b>                | <b>1,316.38</b>                |
| Advances to Employees   | 88.85                          | 63.90                          |
| Advances for Capital Goods & Spares                             | 58.55                          | 2.47                           |
| Advances for Materials & Services                               | 79.91                          | 106.66                         |
| Advances for Others   | 75.86                          | 49.28                          |
| <b>Sub-Total</b>  | <b>303.17</b>                  | <b>222.31</b>                  |
| Subsidy Receivable from Government                              | 3,765.92                       | 5,003.60                       |
| Prepaid expenses  | 93.60                          | 88.91                          |
| Interest Subvention - Receivable from Banks                     | 491.08                         | 153.45                         |
| Transport Subsidy Receivable                                    | -                              | 3.69                           |
| <b>Total</b>  | <b>6,195.70</b>                | <b>6,956.59</b>                |

**Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2021**

| <b>Note No. 12 : Share Capital</b> |                          |                 |
|------------------------------------|--------------------------|-----------------|
| <b>Authorised Share Capital</b>    | (Amount in Rs. Lakhs)    |                 |
| <b>Particulars</b>                 | <b>Equity Shares No.</b> |                 |
| <b>At 31 March 2020</b>            | <b>2,000.00</b>          | <b>2,000.00</b> |
| Increase during the year           | –                        | –               |
| (Decrease) during the year         | –                        | –               |
| <b>At 31 March 2021</b>            | <b>2,000.00</b>          | <b>2,000.00</b> |

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

| <b>Issued Equity Capital</b>                                      |            |                      |
|---|------------|----------------------|
| (Amount in Rs. Lakhs)   |            |                      |
| <b>Particulars</b>  | <b>No.</b> | <b>Amount in Rs.</b> |
| Equity shares of Rs. 1 each issued , subscribed and fully paid up |            |                      |
| At 31 March 2020  | 1,125.00   | 1,125.00             |
| Increase during the year  | –          | –                    |
| (Decrease) during the year  | –          | –                    |
| At 31 March 2021  | 1,125.00   | 1,125.00             |

(Amount in Rs. Lakhs)

| <b>Details of shareholders holding more than 5% shares in the company</b> |            |            |
|---|------------|------------|
|   | <b>No.</b> | <b>No.</b> |
| SB Reshellers Private Limited   | 197.04     | 197.04     |
| Percentage Holding in the class   | 17.51      | 17.51      |

**Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2021**

| <b>Note No. 13: Other Equity</b>                      |                                |                                |
|---|--------------------------------|--------------------------------|
| <b>Note No. 13 (A): Reserves and Surplus</b>          |                                |                                |
| (Amount in Rs. Lakh)                                  |                                |                                |
| <b>Particulars</b>                                    | <b>As on<br/>31 March 2021</b> | <b>As on<br/>31 March 2020</b> |
| <b>Securities Premium</b>                             |                                |                                |
| As per last Balance Sheet                             | 1,575.00                       | 1,575.00                       |
| Appropriation for the year                            |                                |                                |
| <b>General Reserve</b>                                |                                |                                |
| As per last Balance Sheet                             | 2,267.58                       | 8,351.31                       |
| Appropriation for the year                            |                                |                                |
| Less : Previous year losses set off                   | -                              | (6,083.73)                     |
|   | <b>2,267.58</b>                | <b>2,267.58</b>                |
| Capital Reserve                                       | 123.07                         | 123.07                         |
| Asset Revaluation Reserve                             | 0.95                           | 1.44                           |
| <b>Retained Earnings</b>                              | <b>2,391.60</b>                | <b>2,392.01</b>                |
| As per last Balance Sheet                             | 1,376.05                       | (6,083.73)                     |
| Profit carried from Statement of Profit and Loss      | 1,705.06                       | 1,376.54                       |
| Balance of Profit after adjustments                   | 3,081.11                       | 4,707.19                       |
| Less : Transfer to General Reserve for setting off    | -                              | 6,083.73                       |
| Less : Dividend for F.Y. 2019-20 paid during the year | (112.50)                       | -                              |
| Add : Recoupement from revaluation building           | 0.84                           | (0.49)                         |
| Balance Carried forward                               | 2,969.45                       | 1,376.05                       |
| <b>Total</b>  | <b>6,936.05</b>                | <b>5,343.14</b>                |

| <b>Note No. 13 (B): Other Comprehensive Income</b> |                                |                                |
|--|--------------------------------|--------------------------------|
| (Amount in Rs. Lakhs)                              |                                |                                |
| <b>Particulars</b>                                 | <b>As on<br/>31 March 2021</b> | <b>As on<br/>31 March 2020</b> |
| As per last Balance Sheet                          | 17.39                          | 145.69                         |
| Add : For the Year                                 | (28.45)                        | (128.30)                       |
| <b>Total</b>                                       | <b>(11.06)</b>                 | <b>17.39</b>                   |

**Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2021**

| <b>Note No. 14A : Long Term Borrowings</b>  |                                |                      |                            | (Amount in Rs. Lakh)       |  |
|---|--------------------------------|----------------------|----------------------------|----------------------------|--|
| <b>Particulars</b>  | <b>Effective Interest Rate</b> | <b>Maturity Date</b> | <b>As on 31 March 2021</b> | <i>As on 31 March 2020</i> |  |
| <b>Term Loans</b>   |                                |                      |                            |                            |  |
| <b>From Bank</b>  |                                |                      |                            |                            |  |
| (i) Central Bank of India - Soft Loan for Payment of FRP (Secured)                                | 1 Year MCLR + 3.50%            | Jun-24               | 3,123.65                   | 3,985.00                   |  |
| (ii) Bank of Baroda - Soft Loan for Payment of FRP (Secured)                                      | 1 Year MCLR + 3.25%            | Dec 23               | 984.50                     | 1,253.00                   |  |
| (iii) Union Bank of India - Soft Loan for Payment of FRP (Secured)                                | 1 Year MCLR + 4.40%            | Jun-24               | 299.68                     | 1,286.00                   |  |
| iv) Central Bank of India - Covid 2019  | 7.60%                          | Jun-22               | 1,821.55                   | -                          |  |
| v) Union Bank of India - Covid 2019   | 8.00%                          | Jun-22               | 608.84                     | -                          |  |
| vi) Bank of Baroda - Covid 2019   | 8.00%                          | Jun-22               | 691.01                     | -                          |  |
| vii) Central Bank of India - Emergency Credit Lending Scheme                                      | 1 Year MCLR + 2.70%+0.20%      | Feb-26               | 2,300.00                   | -                          |  |
| viii) Union Bank of India - Guaranteed Emergency Credit Line                                      | + 0.60%                        | Mar-26               | 1,550.00                   | -                          |  |
|   |                                |                      | 11,379.23                  | 6,524.00                   |  |
| Less: Current maturities in respect of above loans disclosed separately under Current Liabilities |                                |                      | 4,340.80                   | 1,675.75                   |  |
| <b>Sub-Total</b>  |                                |                      | <del><b>7,038.43</b></del> | <del><b>4,848.25</b></del> |  |
| <b>Total Long Term Borrowings</b>   |                                |                      | <del><b>7,038.43</b></del> | <del><b>4,848.25</b></del> |  |

**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 June 2020. The loan is repayable in 48 monthly instalments of Rs.83.02 Lakhs each. The last instalment is due in June 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 June 2020. The loan is repayable in 48 monthly instalments of Rs. 26.79 Lakhs each. The last instalment is due in June 2024.
- (iv) **Central Bank of India - Covid-2019 Loan**  
The loan was obtained to meet liquidity mismatch due to COVID 19 pandemic under Central Government Covid-19 Sahayata Scheme. The loan is secured by all tangible movable property such as products stock in trade and goods.. The loan is repayable in 18 monthly instalments of Rs. 129.17 Lakhs each. The last instalment is due in June 2022.

**Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2021****(v) Union Bank of India - Covid-2019 Loan**

The loan was obtained to meet liquidity mismatch due to COVID 19 pandemic under Central Government Covid-19 Sahayata Scheme. The loan is secured Primary by Hypothecation of Stock (other than Pledge) and receivables of the company and Collateral by extension of 1st pari passu charge on all fixed assets at Ugar and Jewargi. The loan is repayable in 18 monthly instalments of Rs. 41.67 Lakhs each. The last instalment is due in June 2022.

**(vi) Bank of Baroda - Covid-2019 Loan**

The loan was obtained to meet liquidity mismatch due to COVID 19 pandemic under Central Government Covid-19 Sahayata Scheme. The loan is secured by Pledge of Sugar. The loan is repayable in 18 monthly instalments of Rs. 46.39 Lakhs each. The last instalment is due in June 2022.

**(vii) Central Bank of India - Guaranteed Emergency Credit Line (GECL - 2) Loan**

The loan was obtained under Central Government Guaranteed Emergency Credit Line Scheme (GECL - 2) Loan. The loan is secured by all tangible movable property such as products stock in trade and goods. The loan is repayable in 48 monthly instalments of Rs.47.92 Lakhs each. The last instalment is due in February 2026.

**(viii) Union Bank of India - Guaranteed Emergency Credit Line (GECL - 2) Loan**

The loan was obtained under Central Government Guaranteed Emergency Credit Line Scheme (GECL - 2) Loan. The loan is secured by extension of 1<sup>st</sup> pari passu charge on all assets at Ugar and Jewargi. The loan is repayable in 48 monthly instalments of Rs.32.29 Lakhs each. The last instalment is due in March 2026.

| <b>Note No. 14B : Borrowings</b>                               |                                | (Amount in Rs. Lakhs)          |                  |
|--|--------------------------------|--------------------------------|------------------|
| <b>Particulars</b>   | <b>As on<br/>31 March 2021</b> | <b>As on<br/>31 March 2020</b> |                  |
| <b>Working Capital Loans</b>                                   |                                |                                |                  |
| <b>From Bank</b>   |                                |                                |                  |
| Cash Credit Hypothecation - ( Central Bank Of India) (Secured) |                                |                                |                  |
| — Hypothecation of Stores                                      | 1,388.83                       |                                | 342.45           |
| — ODBD   | 714.51                         |                                | 974.78           |
| <b>Cash Credit Pledge (Secured)</b>                            |                                |                                |                  |
| Bank of Baroda   | 6,749.02                       |                                | 8,300.47         |
| Central Bank of India  | 14,014.53                      |                                | 13,993.06        |
| Union Bank of India  | 12,956.55                      |                                | 7,946.72         |
| Sangli Urban Bank  | 1,007.76                       |                                | 1,008.49         |
| Dombivali Nagari Sahakari Bank                                 | 3,402.57                       |                                | 3,945.76         |
| <b>Sub Total</b>   | <b>40,233.77</b>               |                                | <b>36,511.73</b> |
| Book Overdraft   | 3,374.13                       |                                | —                |
| Fixed Deposit from Directors                                   | 330.00                         |                                | 108.02           |
| <b>Total</b>   | <b>43,937.90</b>               |                                | <b>36,619.75</b> |

**Note :** Working capital loans are secured by hypothecation pledge of Company's stock of raw material, work in process, finished goods, consumable stores, spares, book debts, both present and future. The fund based limits are payable on demand to the Banks.



**Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2021**

| <b>Note No. 15A : Long Term Provisions</b> |                                | (Amount in Rs. Lakh)           |  |
|--|--------------------------------|--------------------------------|--|
| <b>Particulars</b>                         | <b>As on<br/>31 March 2021</b> | <b>As on<br/>31 March 2020</b> |  |
| Provisions for Employee Benefits           | –                              | –                              |  |
| Provision for Leave Salary                 | 371.76                         | 360.05                         |  |
| <b>Total</b>                               | <b>371.76</b>                  | <b>360.05</b>                  |  |

| <b>Note No. 15B : Short Term Provisions</b> |                                | (Amount in Rs. Lakh)           |  |
|---|--------------------------------|--------------------------------|--|
| <b>Particulars</b>                          | <b>As on<br/>31 March 2021</b> | <b>As on<br/>31 March 2020</b> |  |
| <b>Provisions for Employee Benefits</b>     |                                |                                |  |
| Provision for Gratuity                      | 1,421.44                       | 1,421.96                       |  |
| Provision for Leave Salary                  | 37.87                          | 42.69                          |  |
| <b>Total</b>                                | <b>1,459.31</b>                | <b>1,464.65</b>                |  |

**Note No. 16 - Income Taxes**

The major components of income tax expense for the years ended 31 March 2021 and 31 March 2020 are:

| <b>Note no. 16A. Statement of Profit and Loss</b>                    |  | (Amount in Rs. Lakh)           |                                |
|--|--|--------------------------------|--------------------------------|
| <b>(i) Profit and Loss Section</b>                                   |  | <b>As on<br/>31 March 2021</b> | <b>As on<br/>31 March 2020</b> |
| <b>Current Income Tax :</b>  |  |                                |                                |
| Current income tax charge  |  | 309.44                         | –                              |
| Adjustment in respect of current income tax of previous year         |  | –                              | –                              |
|  |  | 309.44                         | –                              |
| <b>Deferred Tax :</b>  |  |                                |                                |
| Relating to origination and reversal of temporary differences        |  | (154.37)                       | 14.00                          |
| Income Tax expense reported in the statement of profit or loss       |  | 155.07                         | 14.00                          |
| <b>(ii) OCI Section</b>  |  |                                |                                |
| Deferred Tax related to items recognised in the OCI during the year: |  |                                |                                |
| Net gain/(loss) on remeasurement of defined benefit plans            |  | 7.68                           | 68.91                          |
| <b>Income Tax charged to OCI</b>                                     |  | <b>7.68</b>                    | <b>68.91</b>                   |

**Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2021****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-21     | 31-Mar-20       | 31-Mar-21                    | 31-Mar-20      |
| Deferred Tax Liabilities                   |               |                 |                              |                |
| On account of timing differences in -      |               |                 |                              |                |
| Depreciation                               | 1,907.84      | 1,913.34        | (5.50)                       | 39.43          |
| Less: Deferred Tax Assets                  |               |                 |                              |                |
| On account of timing differences in -      |               |                 |                              |                |
| a. Provision for doubtful debts & advances | (179.38)      | (177.28)        | (2.10)                       | (49.26)        |
| b. Disallowances under the Income Tax Act  | (794.20)      | (654.90)        | (139.30)                     | (45.23)        |
|  | (973.58)      | (832.18)        | (141.40)                     | (94.49)        |
| <b>Total</b>                               | <b>934.26</b> | <b>1,081.16</b> | <b>(146.90)</b>              | <b>(55.06)</b> |

**Reflected in the Balancesheet as follows :**

(Amount in Rs. Lakhs)

| Particulars                           | As on         | As on           |
|---------------------------------------|---------------|-----------------|
|                                       | 31 March 2021 | 31 March 2020   |
| Deferred Tax Assets                   | (973.58)      | (832.18)        |
| Deferred Tax Liabilities              | 1,907.84      | 1,913.34        |
| <b>Deferred Tax Liabilities (net)</b> | <b>934.26</b> | <b>1,081.16</b> |

**Note No. 17(A) : Trade Payables**

(Amount in Rs. Lakhs)

| Particulars  | As on            | As on            |
|--|------------------|------------------|
|  | 31 March 2021    | 31 March 2020    |
| Total Outstanding Dues of Micro & Small Enterprises            | 19.66            | 17.28            |
| Total Outstanding Dues of other than Micro & Small Enterprises | 11,517.06        | 17,101.22        |
| <b>Total</b>   | <b>11,536.72</b> | <b>17,118.50</b> |

**Note No. 17(B) : Other Payables**

(Amount in Rs. Lakh)

| Particulars               | As on         | As on         |
|---------------------------|---------------|---------------|
|                           | 31 March 2021 | 31 March 2020 |
| Other Payables            | 210.24        | 163.02        |
| Payable for Capital Goods | 2.85          | 16.72         |
| <b>Total</b>              | <b>213.09</b> | <b>179.74</b> |

**Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2021**

| <b>Note No. 18 : Other Current Financial Liabilities</b> (Amount in Rs. Lakhs) |                                |                                |
|--|--------------------------------|--------------------------------|
| <b>Particulars</b>   | <b>As on<br/>31 March 2021</b> | <b>As on<br/>31 March 2020</b> |
| Current Maturities of Long Term Debts - From Bank (Secured)                    | 4,340.80                       | 1,675.75                       |
| Harvesters & Transporters Loan (Refer Note D-1)                                | 5,609.98                       | 5,583.45                       |
| Crop Loan  | –                              | 2,711.76                       |
| Interest accrued and due on borrowings   | 98.99                          | 26.84                          |
| Unclaimed Dividend   | 30.68                          | 31.30                          |
| Unpaid Matured Deposits & Interest Accrued                                     | 2.55                           | 2.55                           |
| Trade Deposits and Advances  | 173.30                         | 172.87                         |
| Salaries, Wages, Bonus & Commission Payable                                    | 571.93                         | 640.35                         |
| Contractors Retention  | 1.69                           | 0.96                           |
| Other Payables - Employees   | 8.07                           | 8.60                           |
| <b>Total</b>   | <b>10,837.99</b>               | <b>10,854.43</b>               |

| <b>Note No. 19 : Other Current Liabilities</b> (Amount in Rs. Lakhs) |                                |                                |
|--|--------------------------------|--------------------------------|
| <b>Particulars</b>   | <b>As on<br/>31 March 2021</b> | <b>As on<br/>31 March 2020</b> |
| Provision for Excise Duty on Finished Goods                          | 456.50                         | 298.83                         |
| Outstanding Expenses   | 3,127.23                       | 2,761.85                       |
| Advance from Customers   | 813.54                         | 595.76                         |
| Advance From Cultivators & Contractors                               | 76.93                          | 25.67                          |
| Statutory Dues Payable   | 489.09                         | 423.68                         |
| <b>Total</b>   | <b>4,963.29</b>                | <b>4,105.79</b>                |

| <b>Note No. 20 : Revenue from Operations</b> (Amount in Rs. Lakhs) |   |   |
|--|---|---|
| <b>Particulars</b>   | <b>For the year ended<br/>31 March 2021</b> | <b>For the year ended<br/>31 March 2020</b> |
| <b>Continuing Operations</b>                                       |   |   |
| <b>Sale of Product</b>   |   |   |
| a. Finished Goods  |   |   |
| Sugar/ Sugar Sachet  | 69,358.76                                   | 64,995.77                                   |
| Rectified Spirit   | 2,533.71                                    | 2,055.54                                    |
| Denatured Spirit   | 3,393.50                                    | 3,008.37                                    |
| Potable Alcohol (including excise duty)                            | 19,777.26                                   | 18,118.70                                   |
| Electricity  | 4,437.75                                    | 3,157.74                                    |
| b. Traded Goods  |   |   |
| Petroleum Products   | 4,065.69                                    | 3,595.79                                    |
| c. By-Products & Others  | <u>3,673.99</u>                             | <u>1,687.93</u>                             |
| <b>Total Sale of Products</b>                                      | <b>1,07,240.66</b>                          | <b>96,619.84</b>                            |
| Other Operating Revenues   |   |   |
| Export Incentive on Sale of Sugar                                  | 4,555.82                                    | 4,481.35                                    |
| <b>Total</b>   | <b>1,11,796.48</b>                          | <b>1,01,101.19</b>                          |

## Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2021

| <b>Note No. 21 A: Other Income</b>                       |   | (Amount in Rs. Lakhs)                       |  |
|--|---|---|--|
| <b>Particulars</b>                                       | <b>For the year ended<br/>31 March 2021</b> | <i>For the year ended<br/>31 March 2020</i> |  |
| <b>Non Operating Revenues</b>                            |   |   |  |
| <b>Sale of Services</b>                                  |   |   |  |
| Machinery & Bullock Cart Hire Charges                    | 0.67  | 0.32  |  |
| <b>Excess Provisions &amp; Unclaimed Credit Balances</b> |   |   |  |
| Balances Written Back                                    | 196.98                                      | 42.73                                       |  |
| Bad Debts / Advances Written Off/Recovered               | 3.04  | -   |  |
| <b>Others</b>  |   |   |  |
| Insurance Claims Received                                | 5.65  | 115.68                                      |  |
| Profit on Sale of Scrap                                  | 153.31                                      | 4.22  |  |
| Miscellaneous Receipts                                   | 108.40                                      | 41.30                                       |  |
| <b>Finance Income</b>                                    |   |   |  |
| Dividend on Non - Trade investments                      | 1.04  | 0.73  |  |
| Interest on Advances, Bank Deposits and Others           | 117.43                                      | 76.21                                       |  |
| <b>Total</b>   | <b>586.52</b>                               | <b>281.19</b>                               |  |

| <b>Note No. 22 A : Cost of Material Consumed</b> |   | (Amount in Rs. Lakhs)                       |  |
|--|---|---|--|
| <b>Particulars</b>                               | <b>For the year ended<br/>31 March 2021</b> | <i>For the year ended<br/>31 March 2020</i> |  |
| A. Cost of Raw Material and Components           |   |   |  |
| 01. Sugarcane                                    |   |   |  |
| Purchased  | 58,130.58                                   | 43,293.49                                   |  |
| Harvesting & Transport                           | 15,548.06                                   | 10,319.60                                   |  |
| Cane Purchase and Development                    | 330.67                                      | 387.80                                      |  |
| <b>Sub-Total</b>                                 | <b>74,009.31</b>                            | <b>54,000.89</b>                            |  |
| 02. Other Raw Material                           |   |   |  |
| Molasses   | 4,557.71                                    | 5,120.17                                    |  |
| Malt   | 6.66  | 14.61                                       |  |
| Rectified Spirit                                 | 1,376.95                                    | 1,428.56                                    |  |
| Others   | 6.37  | 15.47                                       |  |
| <b>Sub-Total</b>                                 | <b>5,947.69</b>                             | <b>6,578.81</b>                             |  |
| Less : Inter-segment transfers                   | (5,714.79)                                  | (6,208.82)                                  |  |
| <b>Sub-Total</b>                                 | <b>232.90</b>                               | <b>369.99</b>                               |  |
| B. Stores, Spares, Chemicals and Others          | 3,330.32                                    | 2,873.11                                    |  |
| <b>Total</b>                                     | <b>77,572.53</b>                            | <b>57,243.99</b>                            |  |

| <b>Note No. 22 B : Other Manufacturing Expenses</b> |   | (Amount in Rs. Lakhs)                       |  |
|---|---|---|--|
| <b>Particulars</b>                                  | <b>For the year ended<br/>31 March 2021</b> | <i>For the year ended<br/>31 March 2020</i> |  |
| 01. Power Fuel and Water                            | 755.09                                      | 715.17                                      |  |
| 02. Repairs and Maintenance - Plant and Machinery   | 1,464.83                                    | 1,673.86                                    |  |
| <b>Total</b>  | <b>2,219.92</b>                             | <b>2,389.03</b>                             |  |

**Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2021**

| <b>Note No. 23 : Purchase of Stock in Trade</b> |   |   |
|---|---|---|
| (Amount in Rs. Lakhs)                           |   |   |
| <b>Particulars</b>                              | <b>For the year ended<br/>31 March 2021</b> | <i>For the year ended<br/>31 March 2020</i> |
| Petroleum Products                              | 3,930.52                                    | 3,521.15                                    |
| <b>Total</b>                                    | <b>3,930.52</b>                             | <b>3,521.15</b>                             |

| <b>Note No. 24 : Changes in inventories of finished goods, Stock-in-Trade and work-in-progress</b> |   |   |
|--|---|---|
| (Amount in Rs. Lakhs)  |   |   |
| <b>Particulars</b>   | <b>For the year ended<br/>31 March 2021</b> | <i>For the year ended<br/>31 March 2020</i> |
| 1. Inventory at the beginning 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   | 113.80                                      | 174.35                                      |
|  | <b>56,746.44</b>                            | <b>63,731.81</b>                            |
| ii. Bagasse -own   | 628.73                                      | 726.86                                      |
| <b>Total</b>   | <b>57,375.17</b>                            | <b>64,458.67</b>                            |
| b. Stock in Trade at the beginning of the year   |   |   |
| Petroleum Products   | 76.12                                       | 43.67                                       |
|  | 57,451.29                                   | 64,502.34                                   |
| Less : Excise duty on Opening inventory  | 987.10                                      | 927.84                                      |
| Value of Opening Inventory (net of Excise duty)  | <b>56,464.19</b>                            | <b>63,574.50</b>                            |
| 2. Inventory at the end of the year  |   |   |
| a) Finished goods  |   |   |
| i. Sugar, Molasses, Spirit etc   |   |   |
| Sugar  | 56,189.06                                   | 49,406.76                                   |
| Rectified Spirit   | 599.32                                      | 844.48                                      |
| Potable Alcohol  | 1,813.87                                    | 1,247.78                                    |
| Molasses   | 2,534.39                                    | 5,133.62                                    |
| Others   | 105.44                                      | 113.80                                      |
|  | 61,242.08                                   | 56,746.44                                   |
| ii. Bagasse - own  | 956.60                                      | 628.73                                      |
| <b>Total</b>   | <b>62,198.68</b>                            | <b>57,375.17</b>                            |
| b) Stock in Trade at the end of the year   |   |   |
| Petroleum Products   | 64.39                                       | 76.12                                       |
|  | 62,263.07                                   | 57,451.29                                   |
| Less : Excise duty on Closing Inventory  | 1,478.32                                    | 987.10                                      |
| Value of Year Closing Inventory (net of Excise duty)   | <b>60,784.75</b>                            | <b>56,464.19</b>                            |
| <b>Net (Increase)/Decrease in Inventories</b>  | <b>(4,320.56)</b>                           | <b>7,110.31</b>                             |

**Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2021**

| <b>Note No. 25 : Employee Benefit Expenses</b> (Amount in Rs. Lakhs) |   |   |
|--|---|---|
| <b>Particulars</b>   | <b>For the year ended<br/>31 March 2021</b> | <b>For the year ended<br/>31 March 2020</b> |
| 1. Salaries, Bonus and Commission                                    | 4,807.98                                    | 4,978.52                                    |
| 2. Remuneration to Employees employed by contractors                 | 1,476.39                                    | 1,299.58                                    |
| 3. Contribution to Provident and Other Funds                         | 398.86                                      | 439.85                                      |
| 4. Gratuity Expense  | 227.79                                      | 207.78                                      |
| 5. Workmen and Staff Welfare   | 38.54                                       | 72.63                                       |
| <b>Total</b>   | <b>6,949.56</b>                             | <b>6,998.36</b>                             |

| <b>Note No. 26 : Finance Costs</b> (Amount in Rs. Lakhs) |   |   |
|--|---|---|
| <b>Particulars</b>                                       | <b>For the year ended<br/>31 March 2021</b> | <b>For the year ended<br/>31 March 2020</b> |
| 1. Interest on debts and borrowings                      | 3,932.93                                    | 4,074.57                                    |
| 2. Other Finance Charges                                 | 328.37                                      | 238.68                                      |
| <b>Total</b>   | <b>4,261.30</b>                             | <b>4,313.25</b>                             |

| <b>Note No. 27 : Depreciation and Amortization Expense</b> (Amount in Rs. Lakhs) |   |   |
|--|---|---|
| <b>Particulars</b>   | <b>For the year ended<br/>31 March 2021</b> | <b>For the year ended<br/>31 March 2020</b> |
| Depreciation of Tangible Assets  | 1,237.60                                    | 1,366.40                                    |
| Amortization of Intangible Assets  | 4.54  | 7.63  |
| Depreciation of Investment Properties  | 0.48  | 0.52  |
| <b>Total</b>   | <b>1,242.62</b>                             | <b>1,374.55</b>                             |

| <b>Note No. 28 : Other Expenses</b> (Amount in Rs. Lakhs) |   |   |
|---|---|---|
| <b>Particulars</b>  | <b>For the year ended<br/>31 March 2021</b> | <b>For the year ended<br/>31 March 2020</b> |
| 1. Administrative Expenses                                |   |   |
| Repairs and Maintenance of Buildings                      | 142.70                                      | 107.60                                      |
| General Repairs and Maintenance                           | 503.38                                      | 419.20                                      |
| Insurance   | 118.55                                      | 87.86                                       |
| Rent  | 86.33                                       | 60.66                                       |
| Rates and Taxes   |   | 225.35                                      |
| 402.01  |   |   |
| Bank Charges  | 3.65  | 3.58  |
| Printing and Stationery                                   | 12.21                                       | 16.84                                       |
| Travelling and Conveyance                                 | 21.11                                       | 81.12                                       |
| Motor Car/ Other Vehicle Expenses                         | 77.24                                       | 96.26                                       |
| Assets Written off  | 15.49                                       | 225.41                                      |
| Directors Sitting Fees                                    | 16.30                                       | 12.30                                       |
| Legal & Consultation Expenses                             | 115.16                                      | 102.63                                      |
| Payment to Auditors (Refer details below)                 | 16.17                                       | 15.31                                       |



**Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2021**

(Amount in Rs. Lakhs)

|  |                 |                 |
|--|-----------------|-----------------|
| Bad debts and Sundry Advances Written off        | 21.67           | 2.15            |
| Provision for Doubtful Debts and Advances        | 6.03            | 123.85          |
| Unrealised Loss on Units and Preference Shares   | 4.61            | 3.41            |
| Donations  | 3.50            | 2.10            |
| Miscellaneous                                    | 158.82          | 210.20          |
|  | <b>1,548.27</b> | <b>1,972.49</b> |
| 2. Selling and Distribution Expenses             |                 |                 |
| Freight and Selling Expenses                     | 712.41          | 653.74          |
| Commission to Selling Agents and representatives | 143.41          | 339.75          |
| Advertisements                                   | 17.77           | 12.47           |
|  | <b>873.59</b>   | <b>1,005.96</b> |
| <b>Total</b>                                     | <b>2,421.86</b> | <b>2,978.45</b> |

| <b>Payment to Auditors</b>          |   |   |
|-------------------------------------|---|---|
| <b>Particulars</b>                  | <b>For the year ended<br/>31 March 2021</b> | <b>For the year ended<br/>31 March 2020</b> |
| <b>Statutory Auditors :</b>         |   |   |
| <b>As Auditors:</b>                 |   |   |
| Audit fees                          | 6.00  | 7.20  |
| Tax Audit fees                      | 1.50  | 1.35  |
| Limited Review fees                 | 4.50  | 1.12  |
| <b>In other capacity:</b>           |   |   |
| Taxation matters                    |   | –   |
| –                                   |   |   |
| Company Law matters                 | 0.05  | 0.05  |
| Other services (Certification fees) | 0.10  | 0.10  |
| Reimbursement expenses              | 0.18  | 1.54  |
|                                     | <b>12.33</b>                                | <b>11.36</b>                                |
| <b>Cost Auditors :</b>              |   |   |
| <b>As Auditors:</b>                 |   |   |
| Audit fee                           | 2.30  | 2.30  |
| In other capacity:                  |   |   |
| Reimbursement expenses              | –   | –   |
|                                     | <b>2.30</b>                                 | <b>2.30</b>                                 |
| <b>Secretarial Auditors :</b>       |   |   |
| <b>As Auditors:</b>                 |   |   |
| Audit fee                           | 1.50  | 1.50  |
| <b>In other capacity:</b>           |   |   |
| Certification fees                  | 0.05  | 0.15  |
| Reimbursement expenses              | –   | –   |
|                                     | <b>1.55</b>                                 | <b>1.65</b>                                 |
| <b>Total</b>                        | <b>16.18</b>                                | <b>15.31</b>                                |

**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.

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

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.

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 recognized 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

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

- 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 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 or fair value 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.

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

Capital work-in-progress for production, supply of administrative purposes is carried at cost less accumulated impairment loss, if any, until construction and installation are complete and the asset is ready for its intended use.

Depreciation is provided (other than on capital work-in-progress) using Written Down Value method over the estimated useful lives of assets. Depreciation on assets acquired/ purchased, sold/discarded during the year is provided on a pro-rata basis from the date of each addition till the date of sale/retirement. The estimated useful lives of assets are stated below:

| Particulars                    | Useful Life (in years) |
|--------------------------------|------------------------|
| Building                       | 3 to 60                |
| Plant and Equipment            | 1 to 40                |
| Furniture and Fixtures         | 1 to 10                |
| Vehicles                       | 8 to 10                |
| Office Equipment               | 1 to 13                |
| Investment Property – Building | 3 to 60                |

The Company, based on technical assessment made by management estimate, depreciates certain items of Plant, Property and Equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. This assessment takes into account nature of assets, the estimated usage of assets, the operating conditions of the assets, past history of replacement, anticipated technological changes, maintenance history, etc. The estimated useful life is reviewed at the end of each reporting period, with effect of any change in estimate being accounted for on a prospective basis.

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

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

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.

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by Group, is classifieds 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.



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

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 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 are 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 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.

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

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 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 1<sup>st</sup> 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

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

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.
- 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.

**NOTE C: CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES:****(k) INVESTMENTS IN SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES**

Investments in subsidiaries, joint ventures and associates are recognised at cost as per Ind AS 27. Except where investments accounted for at cost shall be accounted for in accordance with Ind AS 105, Non-current Assets Held for Sale and Discontinued Operations, when they are classified as held for sale.

**(l) GOVERNMENT GRANTS AND ASSISTANCE**

Grants and subsidies from Government are recognized when there is reasonable assurance that (i) Group will comply with the conditions attached to them and (ii) the grant/subsidy will be received.

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).

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

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 31<sup>st</sup> March 2021.
- (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.

**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.



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

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.

**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.

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

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.

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

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

**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

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

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 life time 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:

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

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



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

satisfied. For liabilities designated as FVTPL, fair value gains / losses attributable to changes in own credit risk is 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 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 Ind AS 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.

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

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 through 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**

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.

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

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 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:

**NOTE C: CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES:****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 cashflow 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 the group entered into other foreign exchange forwards contract with the intention of reducing the foreign exchange risk of expected sales and purchases, these other contract are not designated in hedge relationship and are majored at share value through profit and loss account.

**(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

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

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 UgarKhurd and Jewargi. Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM).

The Management Committee monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance management. Segment performance is evaluated based on profit or loss and is measured consistently with the profit and loss of standalone statements.

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

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:

- (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 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.



**NOTE C: CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES:****(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 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 31-03-2021**

(Amount in Rs. Lakh)

| Particulars                       | Financial Year<br>31-03-2021   | Financial Year<br>31-03-2020 |           |
|-----------------------------------|--|------------------------------|-----------|
| <b>Note D : Other Information</b> |  |                              |           |
| 1                                 | Contingent Liabilities not provided for<br>Claims against the Company not acknowledged as debts  |                              |           |
| a.                                | Excise Duty / Service Tax, Liability Disputed  | 395.26                       | 395.26    |
| b.                                | Income Tax, Liability Disputed   | 199.59                       | 199.59    |
| c.                                | Sales Tax, Liability Disputed  | 20.14                        | 20.14     |
| d.                                | "Corporate Guarantees given to the Bankers for loans given to the Harvesting & Transport Contractors - (The due date for repayment of the loans shall be 12 months from the first disbursement)."  | 7,900.00                     | 12,125.00 |
| e.                                | Bank Guarantee   |                              | 1,000.00  |
|                                   | In relation to matters mentioned in point no a, b and c 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   | 824.96                       | 41.83     |
| 3                                 | Value of imports calculated on CIF basis<br>Machinery Spares   |                              |           |
|                                   |  | -                            | -         |
| 4                                 | Expenditure in foreign currency  |                              |           |
| a.                                | Travelling   | -                            | 5.00      |
| b.                                | Raw Sugar  | -                            | -         |
| c.                                | Subscription   | -                            | -         |
| 5                                 | Earning per share  |                              |           |
| a.                                | Profit after tax as per the Profit & Loss Account  | 1,705.06                     | 1,376.54  |
| b.                                | Weighted average of No. of Shares  | 1,125.00                     | 1,125.00  |
| c.                                | Basic and Diluted Earning per share of Nominal Value of Rs.1/- each  | 1.52                         | 1.22      |
| 6                                 | Future Minimum Lease Rentals in respect of Buildings   |                              |           |
| a.                                | Given on lease   |                              |           |
| i.                                | Receivable within one year   | 8.41                         | 8.92      |
| ii.                               | Receivable between one year and five years   | 8.37                         | 16.68     |
| iii.                              | Receivable after five years  | 24.36                        | 24.36     |
| b.                                | Taken on lease   |                              |           |
| i.                                | Payable within one year  | 36.93                        | 23.16     |
| ii.                               | Payable between one year and five years  | 20.80                        | 0.84      |
| iii.                              | Payable after five years   | -                            | -         |

**Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2021**

(Amount in Rs. Lakh)

| Particulars   | Financial Year<br>31-03-2021   | Financial Year<br>31-03-2020 |
|---|--|------------------------------|
| <b>Note D: Other Information (Contd...)</b>   |  |                              |
| 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   | 74,242.21                    |
| b.  | Percentage   |                              |
|   | Imported   | -                            |
|   | Indigenous   | 100%                         |
| 8   | Value of Raw Material Consumed in Note B-22A includes additional cane price relating to earlier season/s |                              |
|   |  | -                            |
| 9   | Segment Reporting  |                              |
|   | I. Primary Segment Information (Business Segments)   |                              |
|   | Revenue  |                              |
|   | External Operating Income  |                              |
|   | Sugar (Including Export Incentive on Sale of Sugar)  | 77,301.12                    |
|   | Electricity  | 4,438.00                     |
|   | Petrol Pump  | 4,065.69                     |
|   | Industrial Alcohol   | 5,940.94                     |
|   | Potable Alcohol  | 20,050.73                    |
|   | <b>Total</b>   | <b>1,11,796.48</b>           |
|   | Inter-segment Sales  |                              |
|   | Sugar  | 12,911.65                    |
|   | Electricity  | 8,822.05                     |
|   | Industrial Alcohol   | 2,089.50                     |
|   | <b>Total</b>   | <b>23,823.20</b>             |
|   | Total Revenue  |                              |
|   | Sugar  | 90,212.77                    |
|   | Electricity  | 13,260.05                    |
|   | Petrol Pump  | 4,065.69                     |
|   | Industrial Alcohol   | 8,030.44                     |
|   | Potable Alcohol  | 20,050.73                    |
|   | <b>Total</b>   | <b>1,35,619.68</b>           |
|   |  | <b>1,01,101.18</b>           |
|   |  | <b>1,24,100.68</b>           |

**Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2021**

(Amount in Rs. Lakh)

| Particulars   | Financial Year<br>31-03-2021 | Financial Year<br>31-03-2020 |
|---|------------------------------|------------------------------|
| <b>Note D: Other Information (Contd...)</b>         |                              |                              |
| <b>9 Segment Reporting</b>                          |                              |                              |
| II Primary Segment Information (Business Segments)  |                              |                              |
| Segment Results (Gross)                             |                              |                              |
| Sugar   | 5335.21                      | 7425.83                      |
| Electricity   | 2924.87                      | 1386.64                      |
| Petrol Pump   | 87.62                        | 81.64                        |
| Industrial Alcohol                                  | 542.88                       | 430.04                       |
| Potable Alcohol                                     | 409.69                       | 206.52                       |
| <b>Total</b>  | <b>9,300.27</b>              | <b>9,530.67</b>              |
| Less: Unallocated Corporate Expenses                | 3,765.35                     | 4,108.09                     |
| Operating Profit                                    | 5,534.92                     | 5,422.58                     |
| Less:   |                              |                              |
| Finance Costs                                       | 4,261.31                     | 4,313.24                     |
| Other Income  | (586.52)                     | (281.20)                     |
| Profit from Ordinary Activities                     | 1,860.13                     | 1,109.34                     |
| Exceptional Items                                   | -                            | -                            |
| Profit before tax                                   | 1,860.13                     | 1,390.54                     |
| III Primary Segment Information (Business Segments) |                              |                              |
| Segment Assets                                      |                              |                              |
| Sugar   | 73,099.53                    | 69,981.84                    |
| Electricity   | 6,226.90                     | 5,304.53                     |
| Petrol Pump   | 67.54                        | 80.33                        |
| Industrial Alcohol                                  | 2,083.10                     | 1,943.90                     |
| Potable Alcohol                                     | 3,479.10                     | 2,263.18                     |
|   | <b>84,956.17</b>             | <b>79,573.78</b>             |
| Add: Unallocated Corporate Assets                   | 4,386.57                     | 3,517.37                     |
|   | <b>89,342.74</b>             | <b>83,091.15</b>             |
| Primary Segment Information (Business Segments)     |                              |                              |
| Segment Liabilities                                 |                              |                              |
| Sugar   | 20,181.97                    | 28,659.69                    |
| Electricity   | 530.22                       | 173.04                       |
| Petrol Pump   | 3.50                         | 2.08                         |
| Industrial Alcohol                                  | 102.28                       | 160.43                       |
| Potable Alcohol                                     | 579.43                       | 472.60                       |
| Total   | <b>21,397.40</b>             | <b>29,467.84</b>             |
| Add: Unallocated Corporate Liabilities              | 61,020.35                    | 47,137.76                    |
|   | <b>82,417.75</b>             | <b>76,605.60</b>             |
| Capital Expenditure                                 |                              |                              |
| Sugar   | 122.68                       | 65.21                        |
| Electricity   | 8.91                         | 10.41                        |
| Industrial Alcohol                                  | 250.30                       | 6.77                         |
| Potable Alcohol                                     | 57.45                        | 0.25                         |
| Unallocated   | 49.44                        | 10.10                        |
|   | <b>488.78</b>                | <b>92.74</b>                 |

**Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2021**

(Amount in Rs. Lakh)

| Particulars   | Financial Year<br>31-03-2021 | Financial Year<br>31-03-2020 |
|---|------------------------------|------------------------------|
| <b>Note D: Other Information (Contd...)</b>   |                              |                              |
| 9 Segment Reporting   |                              |                              |
| IV Primary Segment Information (Business Segments)  |                              |                              |
| Depreciation and Amortisation   |                              |                              |
| Sugar   | 748.56                       | 843.01                       |
| Electricity   | 299.30                       | 308.93                       |
| Petrol Pump   | 0.02                         | -                            |
| Industrial Alcohol  | 73.67                        | 82.66                        |
| Potable Alcohol   | 8.90                         | 6.88                         |
| Unallocated   | 112.17                       | 133.07                       |
| <b>Total</b>  | <b>1,242.62</b>              | <b>1,374.55</b>              |
| Non-cash expenses other than depreciation   |                              |                              |
| Sugar   | -                            | -                            |
| Electricity   | -                            | -                            |
| Petrol Pump   | -                            | -                            |
| Industrial Alcohol  | -                            | -                            |
| Potable Alcohol   | -                            | -                            |
| <b>Total</b>  | -                            | -                            |
| V The Company does not have any Secondary Reportable Segments.  |                              |                              |
| VI Significant Accounting Policies relating to Segment Reporting  |                              |                              |
| a. Business Segments are determined on the basis of the goods manufactured and in accordance with Ind AS 108.   |                              |                              |
| b. Inter-segment transfers are recorded at cost except for own generated Bagasse and Molasses, cost of which is unascertainable and which are recorded at Net Realisable Value.   |                              |                              |
| c. Segment report is prepared in conformity with accounting policies adopted for preparing and presenting financial statements.   |                              |                              |
| d. "Information about major customers<br>Revenues (net of indirect taxes) for the year ended March 31, 2021 includes revenues aggregating to approximately Rs.30920.20 Lakhs (March 31, 2020 – Rs.31,199.25 Lakhs) from Company's 5 largest customers." |                              |                              |

**Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2021**

(Amount in Rs. Lakh)

| Particulars   | Financial Year<br>31-03-2021 | Financial Year<br>31-03-2020 |
|---|------------------------------|------------------------------|
| <b>Note D: Other Information (Contd...)</b>   |                              |                              |
| <b>13 Disclosure with respect to IND AS-19</b>  |                              |                              |
| 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:   |                              |                              |
| <b>a. Gratuity</b>  |                              |                              |
| 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. |                              |                              |
| <b>Defined Contribution Plan:</b>   |                              |                              |
| Contribution to Defined Contribution Plan, recognised and charged off for the year are as under:  |                              |                              |
| Employer's contribution to Superannuation Fund  | 32.06                        | 35.48                        |
| Employer's contribution to Pension Scheme   | 154.93                       | 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  | 3,114.32                     | 2,748.39                     |
| Interest Cost   | 204.11                       | 202.78                       |
| Current Service Cost  | 138.31                       | 131.27                       |
| Past Service Cost ( non vested cost )   |                              |                              |
| Past Service Cost ( vested cost )   |                              | -                            |
| Benefits Paid   | (312.42)                     | (160.37)                     |
| Actuarial (gain) / loss on obligation   | 13.40                        | 192.25                       |
| PVO at the end of the period  | 3,157.72                     | 3,114.32                     |



**Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2021**

(Amount in Rs. Lakh)

| Particulars   | Financial Year<br>31-03-2021 | Financial Year<br>31-03-2020 |
|---|------------------------------|------------------------------|
| <b>Note D: Other Information (Contd...)</b>                   |                              |                              |
| II Interest Expenses  |                              |                              |
| Interest Cost   | 204.11                       | 202.78                       |
| III Fair Value of Plan Assets                                 |                              |                              |
| Fair value of Plan Assets at the beginning                    | 1,692.36                     | 1,701.46                     |
| Interest Income   | 114.62                       | 124.43                       |
| IV Net Liability at beginning of period                       |                              |                              |
| PVO at beginning of period                                    | 3,114.32                     | 2,748.39                     |
| Fair Value of the Assets at beginning report                  | 1,692.36                     | 1,701.46                     |
| Net Liability at the beginning of period                      | 1,421.96                     | 1,046.93                     |
| V Net Interest  |                              |                              |
| Interest Expenses   | 204.11                       | 202.78                       |
| Interest Income   | (114.62)                     | (124.42)                     |
| Net Interest  | 89.49                        | 78.36                        |
| VI Actual Return on Plan Assets                               | 106.20                       | 119.46                       |
| Interest income included above                                | 114.62                       | 124.43                       |
| Return on plan assets excluding interest income               | (8.42)                       | (4.97)                       |
| VII Actuarial (Gain)/Loss on obligation                       |                              |                              |
| Due to Demographic Assumption                                 | -                            | -                            |
| Due to Financial Assumption                                   | 43.15                        | 142.74                       |
| Due to Experience   | (29.75)                      | 49.51                        |
| Total Actuarial (Gain)/Loss                                   | 13.40                        | 192.25                       |
| VIII Fair Value of Plan Assets                                |                              |                              |
| Opening Fair Value of Plan Asset                              | 1,692.36                     | 1,701.46                     |
| Adjustment to the opening fund                                |                              | -                            |
| Return on Plan Assets excl. interest income                   | (8.42)                       | (4.97)                       |
| Interest Income   | 114.62                       | 124.43                       |
| Contributions by Employer                                     | 50.00                        | 25.00                        |
| Contributions by Employee                                     | -                            | -                            |
| Benefits Paid   | (112.28)                     | (153.56)                     |
| Fair Value of Plan Assets at end                              | 1,736.28                     | 1,692.36                     |
| 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                | -                            | -                            |
| Unrecognised Past Service Cost-non vested benefits            | -                            | -                            |

**Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2021**

(Amount in Rs. Lakhs)

| Particulars   | Financial Year<br>31-03-2021 | Financial Year<br>31-03-2020 |
|---|------------------------------|------------------------------|
| <b>Note D: Other Information (Contd...)</b>                                 |                              |                              |
| X Amount to be recognised in the Balance Sheet and Profit and Loss Account. |                              |                              |
| PVO at end of period  | 3,157.72                     | 3,114.32                     |
| Fair Value of Plan Assets at end of period                                  | 1,736.28                     | 1,692.36                     |
| Net Asset/(Liability) recognised in the Balance Sheet (1,421.44)            |                              | (1,421.96)                   |
| XI Expense recognised in the statement of P & L A/c.                        |                              |                              |
| Current Service Cost  | 138.30                       | 131.27                       |
| Net Interest  | 89.49                        | 78.36                        |
| Past Service Cost-(non vested benefits)                                     |                              |                              |
| Past Service Cost-( vested benefits)  |                              |                              |
| Curtailment Effect  |                              |                              |
| Settlement Effect   |                              |                              |
| Unrecognised Past Service Cost -non vested benefits                         |                              |                              |
| Expense recognised in the statement of P & L A/c.                           | 227.79                       | 209.63                       |
| XII Other Comprehensive Income (OCI)  |                              |                              |
| Actuarial (Gain)/Loss recognised for the period                             | 13.40                        | 192.25                       |
| Asset limit effect  | -                            | -                            |
| Return on Plan Assets excluding net interest                                | 8.42                         | 4.96                         |
| Unrecognised Actuarial (Gain)/Loss from previous period                     | -                            | -                            |
| Total Actuarial (Gain)/Loss recognised in (OCI)                             | 21.82                        | 197.21                       |
| XIII Movements in the Liability recognised in Balance Sheet.                |                              |                              |
| Opening Net Liability   | (1,421.96)                   | (1,046.93)                   |
| Adjustment to opening balance   | -                            | -                            |
| Expenses as above   | (227.79)                     | (209.63)                     |
| Benefits Paid by Company  | 200.14                       | 6.81                         |
| Contribution paid   | 50.00                        | 25.00                        |
| Other Comprehensive Income (OCI)  | (21.82)                      | (197.21)                     |
| Closing Net Liability   | (1,421.44)                   | (1,421.96)                   |
| XIV Schedule III of The Companies Act 2013                                  |                              |                              |
| Current Liability   | 1,421.44                     | 1,421.96                     |
| XV Projected Service Cost 31 March 2021                                     | 131.27                       | 138.31                       |
| Unrecognised Actuarial (Gain)/Loss from previous period                     |                              |                              |
| Average remaining future service till vesting of the benefit                |                              |                              |
| XVI Asset Information   |                              |                              |
| Cash and Cash Equivalents   |                              |                              |
| Gratuity Fund(LIC of India)   | 1,736.28                     | 1,692.36                     |
| Debt Security(Gvt.Bond)   |                              |                              |
| Equity Securities -Corporate debt securities                                |                              |                              |
| Other Insurance contracts   |                              |                              |
| Property  |                              |                              |
| Total itemized Assets   | 1,736.28                     | 1,692.36                     |

**Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2021**

(Amount in Rs. Lakhs)

| Particulars   | Financial Year<br>31-03-2021 | Financial Year<br>31-03-2020 |
|---|------------------------------|------------------------------|
| <b>Note D: Other Information (Contd...)</b>   |                              |                              |
| XVII Assumptions as at:   |                              |                              |
| Mortality   |                              |                              |
| Interest / Discount Rate  | 6.70%                        | 6.90%                        |
| Rate of increase in compensation  | 6.00%                        | 6.00%                        |
| Rate of return (expected) on plan assets  | 6.90%                        | 7.60%                        |
| Expected average remaining service (In Years)   | 10.62                        | 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>b. Provident Fund</b>  |                              |                              |
| 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   | 171.25                       | 27.29                        |
| Acquisition Adjustment  | -                            | -                            |
| Interest Cost   | 11.82                        | 2.07                         |
| Past Service Cost   | 8.38                         | -                            |
| Current Service Cost  | -                            | 16.22                        |
| Curtailment Cost/(Credit)   |                              |                              |
| Settlement Cost/(Credit)  |                              |                              |
| Benefits Paid   |                              |                              |
| Actuarial (Gain)/Loss on obligations.   | (91.86)                      | 125.67                       |
| Present value of expected interest rate shortfall as at the end of the period.  | 99.59                        | 171.25                       |
| II Changes in Fair Value of plan assets.  |                              |                              |
| Fair value of plan assets at the beginning of the period.   | 221.08                       | 143.81                       |
| Acquisition Adjustment.   |                              | -                            |
| Interest Income   | 15.25                        | 10.93                        |
| Contributions   |                              |                              |
| Amount transferred to cover shortfall   |                              |                              |
| Amount paid on settlement   |                              |                              |
| b. Actuarial Gain/(Loss) on plan assets   | (55.81)                      | 66.34                        |
| Fair value of plan assets at the end of the period.   | 180.52                       | 221.08                       |
| III Actuarial Gain/Loss recognised.   |                              |                              |
| Actuarial (Gain)/Loss for the period-obligation   | (91.86)                      | 125.67                       |
| Actuarial (Gain)/Loss for the period-plan assets  | 55.81                        | (66.33)                      |
| Total (Gain)/Loss for the period  | (36.05)                      | (59.34)                      |
| Actuarial (Gain)/Loss recognised in the period.   | (36.05)                      | (59.34)                      |
| Unrecognised actuarial Gain/Loss at the of period.  |                              |                              |

**Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2021****Note D: Other Information (Contd...)**

|      |  |         |         |
|------|--|---------|---------|
| IV   | The amount to be recognised in the Balance Sheet.  |         |         |
|      | Present value of expected interest rate shortfall as at the end of the period.                         | 99.59   | 171.26  |
|      | Fair value of the plan assets at the end of the period. (Surplus Account)                              | –       | 221.08  |
|      | Surplus/(Deficit)  | 180.52  | 49.82   |
|      | Unrecognised actuarial (Gain)/Loss   | 80.93   | –       |
|      | Net asset/(liability) recognised in the Balance Sheet.   | 80.93   | 49.82   |
| V    | Amount recognised in Statement of Other Comprehensive Income   |         |         |
|      | Opening amount recognised in OCI outside profit & loss account   | 22.52   | (36.82) |
|      | Remeasurement for the period -Obligation (Gain)/Loss   | (91.86) | 125.68  |
|      | Remeasurement for the period -Plan Assets(Gain)/Loss   | 55.81   | (66.34) |
|      | Total remeasurement cost/(credit) for the period recognised in OCI                                     | –       | 59.34   |
|      | Closing amount recognised in OCI outside profit & loss account   | (36.05) | 22.51   |
| VI   | Expenses recognised in the statement of profit & loss  |         |         |
|      | Current Service Cost   | 8.38    | 16.22   |
|      | Acquisition (Gain)/Loss  |         |         |
|      | Past service cost  |         |         |
|      | Net Interest (Income) /Expense   | (3.44)  | (8.86)  |
|      | Curtailement (Gain)/Loss   |         |         |
|      | Settlement (Gain)/Loss   |         |         |
|      | Net periodic benefit cost recognised in the statement of profit & loss at the end of the period.       | 4.94    | 7.36    |
| VII  | Total Expenses recognised in the Statement Of Profit & Loss  |         |         |
|      | Expenses recognised in the statement of Profit & Loss with respect to expected interest rate shortfall | 4.94    | 7.36    |
|      | Expense relating to the contributions made by the employer   | 206.94  | 230.07  |
|      | Total expense at the end of period.  | 211.88  | 237.43  |
| VIII | Assumption as at:  |         |         |
|      | Mortality  |         |         |
|      | Interest/Discount Rate   | 6.70%   | 6.90%   |
|      | Interest rate declared by EPFO for the period.   | 8.50%   | 8.50%   |
|      | Yield Spread   | 1.50%   | 1.50%   |
|      | Expected average remaining working lives of employees (in years)                                       | 15.71   | 16.50   |

## Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2021

### 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)

|  | <b>Designation</b>                     |
|--|--|
| I Shri. Niraj Shishir Shirgaokar                       | .... Managing Director (MD)            |
| II Shri. Chandan Sanjeev Shirgaokar                    | .... Managing Director (MD)            |
| iii Shri. R. V. Desurkar (Retired on 18.01.2021)       | .... General Manager Finance           |
| iv Shri. B. G. Kulkarni (Retired on 18.01.2021)        | .... General Manager Corp. Affair & CS |
| v Shri. S.V.Bhat (Appointed on 10.02.2021)             | .... Manager Finance                   |
| vi Shri. Tushar Deshpande<br>(Appointed on 10.02.2021) | .... Company Secretary                 |

##### 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 31-03-2021****Note D: Other Information (Contd...)**

3. Enterprises over which KMP or Relatives of KMP are able to exercise significant influence
- |      |  |   |
|------|--|---|
| i    | S. B. Reshellers Pvt. Ltd.                     | Shri. R.V. Shirgaokar-Brother of Director, Shri. P.V. Shirgaokar-Director, Shri. Shishir Shirgaokar-Chairman, Shri. Niraj Shirgaokar-MD, Shri.Chandan Shirgaokar MD, Shri. Sachin Shirgaokar and Shri. Sohan Shirgaokar are the Directors.  |
| ii   | Sangli Fabricators Pvt Ltd                     | Director Shri. Sachin Shirgaokar & Shri. Sohan S. Shirgaokar are Designated Partners.   |
| iii  | Tara Tiles Pvt Ltd.                            | Chairman Shri. Shishir Shirgaokar, Director Shri. P. V. Shirgaokar and Shri. Sachin R. Shirgaokar are Directors.  |
| iv   | Ugar Pipe Industries Pvt. Ltd.                 | Chairman Shri. Shishir S. Shirgaokar, MD- Shri. Chandan S. Shirgaokar, and Director Shri. P.V. Shirgaokar is Director.  |
| v    | D.M. Shirgaokar Enterprises (LLP) Pvt. Ltd.    | Chairman Shri. Shishir S. Shirgaokar, MD- Shri.Chandan S. Shirgaokar, Director Shri. Sohan S. Shirgaokar and Smt. Radhika S. Shirgaokar are the designated Partners.  |
| vi   | Shishir Shirgaokar Enterprises (LLP) Pvt. Ltd. | Chairman Shri. Shishir S. Shirgaokar, MD-Shri. Niraj S. Shirgaokar, Wife of Chairman and Mother of MD Mrs. Savita S. Shirgaokar and wife of MD Mrs. Asawari N. Shirgaokar are the Designated Partners.  |
| vii  | Suresh Shirgaokar Enterprises (LLP) Pvt. Ltd.  | Chairman Shri. Shishir S. Shirgaokar, MD-Shri. Niraj S. Shirgaokar, Director Shri. Sohan S. Shirgaokar, Mother of Director & MD Smt.Radhikar S. Shirgaokar, Wife of MD Mrs. Geetali C. Shirgaokar and Wife of Director Shri. Sohan S. Shirgaokar Mrs. Gauri Sohan Shirgaokar are the Designated Partners. |
| 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 is Designated Partners.   |
| ix   | Synergy Green Industries Ltd.                  | Chairman-Shri. Shishir S. Shirgaokar, MD-Shri. Chandan S. Shirgaokar, Directors Shri. Sachin R. Shirgaokar, Shri. Sohan S. Shirgaokar and Dr. M.R. Desai are Directors.   |



**Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2021****Note D: Other Information (Contd...)****Disclosure of Related Party Transactions (Contd.)**

(Amount in Rs. Lakh)

| Sr. No. | Nature of Transaction                      | Key Management Personnel |         | Relatives of KMP |         | Related Parties referred to in 3 |         | Total   |         |
|---------|--|--------------------------|---------|------------------|---------|----------------------------------|---------|---------|---------|
|         |  | 2020-21                  | 2019-20 | 2020-21          | 2019-20 | 2020-21                          | 2019-20 | 2020-21 | 2019-20 |
| 1       | Remuneration Paid<br>Commission            | 571.83                   | 452.28  | —                | —       | —                                | —       | 571.83  | 452.28  |
| 2       | Sitting Fees                               | —                        | —       | 2.70             | 2.20    | —                                | —       | 2.70    | 2.20    |
| 3       | Purchase of Plant & Machinery<br>& Spares  | —                        | —       | —                | —       | 394.41                           | 496.26  | 394.41  | 496.26  |
| 4       | Sales- Others/ Consultancy                 | —                        | —       | —                | —       | 4.42                             | 3.65    | 4.42    | 3.65    |
| 5       | Exempt Deposits from Directors             | 250.00                   | —       | 11.98            | 28.02   | —                                | —       | 261.98  | 28.02   |
| 6       | Deposits Refunded / Paid                   | 150.00                   | —       | —                | 28.02   | —                                | —       | 150.00  | 28.02   |
| 7       | Interest Paid                              | 7.64                     | —       | 2.91             | 2.67    | —                                | —       | 10.55   | 2.67    |
| 8       | Dividend Paid                              | 0.90                     | —       | 3.35             | —       | 25.97                            | —       | 30.22   | —       |
| 9       | Warehousing Charges / Rent Paid            | —                        | —       | 44.16            | 44.16   | —                                | —       | 44.16   | 44.16   |
| 10      | Advance in the nature of<br>Reimbursement. | 7.97                     | 3.86    | —                | —       | —                                | —       | 7.97    | 3.86    |
| 11      | Advance Returned / Repaid                  | 9.30                     | 11.86   | —                | —       | —                                | —       | 9.30    | 11.86   |
|         | Outstanding Balances as on<br>31.03.2021   |                          |         |                  |         |                                  |         |         |         |
|         | Payable                                    | 1.14                     | —       | 0.29             | 0.25    | —                                | —       | 1.43    | 0.25    |
|         | Receivable                                 | 0.52                     | 0.24    | 0.86             | 0.86    | 7.38                             | 45.13   | 8.76    | 46.23   |

**Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2021****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 31-03-2021:

| S.No. | Description   | 31-03-2021<br>Rs. Lakh | 31-03-2020<br>Rs. Lakh |
|-------|---|------------------------|------------------------|
| i     | Principal amount remaining unpaid to such suppliers as at the year end.   | 19.66                  | 17.28                  |
| 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.                | 0.06                   | 0.02                   |
| v.    | Amount of interest accrued during the year and remaining unpaid at the year end.  | 0.06                   | 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 the Group.

**Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2021****Note D: Other Information (Contd...)****14.2 Categories of financial instruments:**

(Amount in Rs. Lakhs)

| Particulars   | Carrying Amount   |                   | Fair Value        |                   |
|---|-------------------|-------------------|-------------------|-------------------|
|   | March 31,<br>2021 | March 31,<br>2020 | March 31,<br>2021 | March 31,<br>2020 |
| <b>FINANCIAL ASSETS</b>                                   |                   |                   |                   |                   |
| <b>Fair value through Profit and Loss Account (FVTPL)</b> |                   |                   |                   |                   |
| Investments   | 361.08            | 364.65            | 361.08            | 364.65            |
| <b>Amortised Cost</b>                                     |                   |                   |                   |                   |
| Investments   | 10.77             | 5.02              | 10.77             | 5.02              |
| <b>Non-Current Assets</b>                                 |                   |                   |                   |                   |
| Security Deposit  | 64.77             | 64.07             | 64.77             | 64.07             |
| Loans and advances  | 3.50              | 3.50              | 3.50              | 3.50              |
| <b>Current Assets</b>                                     |                   |                   |                   |                   |
| Trade receivable  | 4,933.93          | 1,154.79          | 4,933.93          | 1,154.79          |
| Cash in hand  | 15.12             | 16.41             | 15.12             | 16.41             |
| Balance with banks in current account                     | 526.97            | 981.15            | 526.97            | 981.15            |
| Bank balances other than above                            | 128.69            | 141.57            | 128.69            | 141.57            |
| Accrued Interest On Bank Deposits                         | 6.01              | 6.83              | 6.01              | 6.83              |
| <b>FINANCIAL LIABILITIES</b>                              |                   |                   |                   |                   |
| <b>Amortised cost</b>                                     |                   |                   |                   |                   |
| <b>Non-Current Liabilities</b>                            |                   |                   |                   |                   |
| Borrowing   | 7,038.43          | 4,848.25          | 7,038.43          | 4,848.25          |
| <b>Current liabilities</b>                                |                   |                   |                   |                   |
| Short-term Borrowing                                      | 43,937.90         | 36,619.75         | 43,937.90         | 36,619.75         |
| Trade and other payables                                  | 11,749.81         | 17,298.24         | 11,749.81         | 17,298.24         |
| Other Financial Liabilities                               | 10,837.99         | 10,854.43         | 10,837.99         | 10,854.43         |

The following methods and assumptions were used to estimate the fair values:

The fair value of Trade Payables, Trade Receivables, Cash and Cash Equivalents, Other Bank Balances, Accrued interest and short term borrowings are reasonable approximation of fair value due to the short-term maturities of these instruments.

**14.3 Fair Value Measurement**

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the Ind AS 113 – Fair Value Measurement.

**Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2021****Note D: Other Information (Contd...)****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.

**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

**Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2021****Note D: Other Information (Contd...)****(Amount in Rs. Lakhs)**

| Particulars                           | March 31, 2021     |               |                   |                      |                   |                |
|---------------------------------------|--------------------|---------------|-------------------|----------------------|-------------------|----------------|
|                                       | Less than 3 months | 3 to 6 months | 6 month to 1 year | Between 1 and 2 year | More than 2 years | Total Mar 2021 |
| <b>Financial Assets</b>               |                    |               |                   |                      |                   |                |
| <b>Non - derivative</b>               |                    |               |                   |                      |                   |                |
| <b>Non-Current Assets</b>             |                    |               |                   |                      |                   |                |
| Investments                           |                    |               |                   | 371.85               |                   | 371.85         |
| Security Deposit                      |                    |               | -                 |                      | 64.77             | 64.77          |
| Loans and advances                    |                    |               |                   | 3.50                 |                   | 3.50           |
| <b>Current Assets</b>                 |                    |               |                   |                      |                   |                |
| Trade receivable                      | 4,933.93           |               |                   |                      |                   | 4,933.93       |
| Cash in hand                          | 15.12              |               |                   |                      |                   | 15.12          |
| Balance with banks in current account | 526.97             |               |                   |                      |                   | 526.97         |
| Bank balances other than above        | 30.68              | -             | -                 | 98.01                |                   | 128.69         |
| Accrued Interest on Bank Deposits     | 6.01               | -             | -                 | -                    | -                 | 6.01           |
| <b>Financial Liabilities</b>          |                    |               |                   |                      |                   |                |
| <b>Non-Current Liabilities</b>        |                    |               |                   |                      |                   |                |
| Borrowing                             |                    |               |                   |                      | 7,038.43          | 7,038.43       |
| <b>Current liabilities</b>            |                    |               |                   |                      |                   |                |
| Short-term                            |                    |               |                   |                      |                   |                |
| Borrowing                             | 43,937.90          |               |                   |                      |                   | 43,937.90      |
| Trade Payable                         | 11,749.81          |               |                   |                      |                   | 11,749.81      |
| Other Financial Liabilities           | 10,837.99          |               |                   |                      |                   | 10,837.99      |

**(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 |
| <b>Financial Assets</b>   |                    |               |                   |                      |                   |                |
| <b>Non - derivative</b>   |                    |               |                   |                      |                   |                |
| <b>Non-Current Assets</b> |                    |               |                   |                      |                   |                |
| Investments               |                    |               |                   | 369.68               |                   | 369.68         |
| Security Deposit          |                    |               | -                 | 0.40                 | 63.67             | 64.07          |

**Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2021****Note D: Other Information (Contd...)**

|                                       |           |   |   |        |          |           |
|---------------------------------------|-----------|---|---|--------|----------|-----------|
| Loans and advances                    |           |   |   | 3.50   |          | 3.50      |
| <b>Current Assets</b>                 |           |   |   |        |          |           |
| Trade receivable                      | 1,154.79  |   |   |        |          | 1,154.79  |
| Cash in hand                          | 16.41     |   |   |        |          | 16.41     |
| Balance with banks in current account | 981.15    |   |   |        |          | 981.15    |
| Bank balances other than above        | 31.30     | - | - | 110.27 |          | 141.57    |
| Accrued Interest On Bank Deposits     | 6.83      | - | - | -      | -        | 6.83      |
| <b>Financial Liabilities</b>          |           |   |   |        |          |           |
| <b>Non-Current Liabilities</b>        |           |   |   |        |          |           |
| Borrowing                             |           |   |   |        | 4,848.25 | 4,848.25  |
| <b>Current liabilities</b>            |           |   |   |        |          |           |
| Short-term Borrowing                  | 36,619.75 |   |   |        |          | 36,619.75 |
| Trade Payable                         | 17,228.24 |   |   |        |          | 17,228.24 |
| Other Financial Liabilities           | 10,854.43 |   |   |        |          | 10,854.43 |

**15. Taxes on income**

The major components of Income Tax Expense for the year ended March 2021 are:

**(i) Statement of Profit or Loss**

(Amount in Rs. Lakh.)

| Particulars                                       | March 31, 2021 | March 31, 2020 |
|---|----------------|----------------|
| Current Tax                                       | 309.44         | -              |
| Short/(Excess) provision of tax for earlier years | -              |                |
| Deferred Tax                                      | (154.37)       | 14.00          |
| Total Income Tax Expense                          | 155.07         | 14.00          |

**(ii) Other Comprehensive Income**

(Amount in Rs. Lakhs)

| Particulars   | March 31, 2021 | March 31, 2020 |
|---|----------------|----------------|
| Deferred Tax relating to Net Gain/(Loss) on re-measurement of defined benefit plans | (7.67)         | 68.91          |



**Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2021****Note D: Other Information (Contd...)**

(iii) Movement of deferred tax

**(Amount in Rs. Lakhs)**

| Particulars   | 31-03-2021      |                                 |                   |                 |
|---|-----------------|---------------------------------|-------------------|-----------------|
|   | Opening Balance | Recognised in profit and (Loss) | Recognised in OCI | Closing Balance |
| Tax effect of items constituting deferred tax liabilities |                 |                                 |                   |                 |
| Property, Plant and Equipment                             | (1,913.34)      | 5.50                            | -                 | (1907.84)       |
| <b>Subtotal of Deferred Tax Liabilities</b>               | (1,913.34)      | 5.50                            | -                 | (1907.84)       |
| Tax effect of items constituting deferred tax assets      |                 |                                 |                   |                 |
| Provisions  | 177.27          | 2.11                            | -                 | 179.38          |
| Other Items   | 654.91          | 131.62                          | (7.67)            | 794.2           |
| <b>Subtotal of Deferred Tax Asset</b>                     | 832.18          | 133.73                          | (7.67)            | 973.58          |
| <b>Net Deferred Tax Asset/ (Liabilities)</b>              | (1,081.16)      | 139.23                          | (7.67)            | (934.26)        |

(iv) 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)      |
| <b>Subtotal of Deferred Tax Liabilities</b>               | (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          |
| <b>Subtotal of Deferred Tax Asset</b>                     | 737.69          | 25.55                           | 68.91             | 832.18          |
| <b>Net Deferred Tax Asset/ (Liabilities)</b>              | (1,130.27)      | (19.83)                         | 68.91             | (1,081.16)      |

**Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2021****Note D: Other Information (Contd...)**v) Additional Information as required by Schedule III of Companies Act, 2013 **(Amount in Rs. Lakhs)**

| Name of the Entry                                | Net Assets                      |                 | Share of Profit or Loss             |                 | Share of Comprehensive Income             |                | Share of Total Comprehensive Income             |                 |
|--|---------------------------------|-----------------|-------------------------------------|-----------------|---|----------------|---|-----------------|
|  | As % of Consolidated net assets | Amount          | As % of Consolidated Profit or Loss | Amount          | As % of Consolidated Comprehensive Income | Amount         | As % of Consolidated Total Comprehensive Income | Amount          |
| The Ugar Sugar Works Ltd                         | 98.64                           | 7,940.18        | 100.01                              | 1,705.25        | 48.47                                     | (14.19)        | 100.91  | 1,691.06        |
| Indian Subsidiary : Ugar Theatre Private Limited | 1.36                            | 109.81          | (0.01)                              | (0.19)          | 51.53                                     | (15.09)        | (0.91)  | (15.28)         |
| <b>Total</b>                                     | <b>100.00</b>                   | <b>8,049.99</b> | <b>100.00</b>                       | <b>1,705.06</b> | <b>100.00</b>                             | <b>(29.28)</b> | <b>100.00</b>                                   | <b>1,675.78</b> |

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.

**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.

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

**TO THE DIRECTORS REPORT**  
**ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR)**  
**ACTIVITIES 2020-21**

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

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

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

**Scope:**

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

**2. Composition of CSR Committee**

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

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

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

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

5. Average net profit of the company as per Section 135(5) Pursuant to Section 198 of the Companies Act, 2013, the Average Net Profit of the Company for last three Financial years was in negative.
6. (a) Two percent of average net profit of the company as per section 135(5): Rs. (1578.66) (Rs. in Lakhs)
- (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Not applicable
- (c) Amount required to be set off for the financial year, if any: Not applicable
- (d) Total CSR obligation for the financial year (7a+7b-7c): Not applicable

7. (a) CSR amount spent or unspent for the financial year: Not applicable

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

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

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

(c) Details of CSR amount spent against other than ongoing projects for the financial year: Not Applicable

| 1              | 2                   | 3  | 4                   |      | 5     | 6                        | 7                                     | 8                                      |  |                         |
|----------------|---------------------|--|---------------------|------|-------|--------------------------|---------------------------------------|--|--|-------------------------|
| Sr. No.        | Name of the Project | Item from the list of activities in Schedule VII to the Act. | Local area (Yes/No) | Sta- | Dist- | Location of the project. | Amount spend for the project (in Rs.) | Mode of implementation Direct (Yes/No) | Mode of Implementation Through Implementing Agency |                         |
|                |                     |  |                     | Sta- | Dist- |                          |                                       |  | Name   | CSR Registration number |
| Not Applicable |                     |  |                     |      |       |                          |                                       |  |  |                         |

(d) Amount spent in Administrative Overheads: Not applicable

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

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): Not applicable

(g) Excess amount for set off, if any

|    |   | (Rs. in Lakhs) |
|----|---|----------------|
| a) | Two percent of average net profit of the company as per section 135(5)                                      | (1578.66)      |
| b) | Total amount spent for the Financial Year   | 0              |
| c) | Excess amount spent for the financial year [(ii)-(i)]   | 0              |
| d) | Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any | 0              |
| e) | Amount available for set off in succeeding financial years [(iii)-(iv)]                                     | 0              |

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

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

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

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

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

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

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

|  |  |
|--|--|
| <b>Dr. M. R. Desai</b><br>Chairman CSR Committee (DIN - 01625500)<br>The Ugar Sugar Works Ltd    |  |
| <b>Mr. Niraj S. Shirgaokar</b><br>Managing Director (DIN - 00254525)<br>The Ugar Sugar Works Ltd | <b>Mr. Chandan S. Shirgaokar</b><br>Managing Director (DIN - 00208200)<br>The Ugar Sugar Works Ltd |

## The Progress of Your Company for last 25 Years

| Year Ending           | Total Income | Reserves and Surplus | Fixed Assets | Rate of Dividend | Cane Crushed | Sugar Produced |
|-----------------------|--------------|----------------------|--------------|------------------|--------------|----------------|
|                       | Rs. Lakh     | Rs. Lakh             | Rs. Lakh     | %                | MT           | Qtls           |
| <b>30th September</b> |              |                      |              |                  |              |                |
| 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      |
| <b>31st March</b>     |              |                      |              |                  |              |                |
| 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    | 8,351.31             | 15,200.36    | Nil              | 19,30,354    | 22,79,090      |
| 2020                  | 1,01,381.75  | 2,267.58             | 13,640.96    | 10%              | 16,40,957    | 17,90,939      |
| 2021                  | 1,12,381.68  | 2,267.58             | 12,922.56    | 20%              | 1,981,061    | 2,641,290      |

**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 The Accounting year those ended on 30-09-1995 comprised of 18 months and those ended on 31-03-2007 comprised of 6 months only.
- 3 Dividend for the year ended 30-09-1995 includes interim dividend.
- 4 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.
- 5 Figures relating to FY ended 2005-06, 2006-07 includes figures of Tasgaon and Phaltan and Since 2008-09 to till 2020-21 includes figures of Jewargi unit.





**Available on Flipkart and Tata Cliq**

**UGAR SUGAR HAND SANITIZER AVAILABLE ON**



**Flipkart**



**TATA  
CLIQ**

**80% Alcohol Based  
Liquid Sanitizer**



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

**HEALTHY HANDS OF HEALTHY INDIA, SPREAD LOVE NOT VIRUS**

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

