

# Uttam Sugar Mills Limited

## DIRECTORS' REPORT

To  
The Shareholders of the Company,

Your Directors take pleasure in presenting this Twenty Fourth Annual Report together with the Audited Annual Financial Statements for the year ended 31<sup>st</sup> March, 2019.

### FINANCIAL RESULTS

The financial results of the Company for the year ended on 31<sup>st</sup> March, 2019 are as under:-

DETAILS	(Rs. in Lakhs)	
	Year ended	Year ended
	31.03.2019	31.03.2018
Revenue from Operations	1,21,465.84	1,26,463.90
Profit/(Loss) before Depreciation & Tax	10,034.80	4,791.23
Less:		
Depreciation	2,663.22	2,415.55
Profit/(Loss) before Tax & Exceptional Items	7,371.58	2,375.68
Exceptional Items	-	-
Less: Provision for Taxation		
Current Tax	1,646	540
Less : Minimum Alternate Tax (MAT) credit available	(1,600)	(418)
Deferred Tax (Credit) / Charge	1,508.94	624.23
Income Tax for Earlier Years	4.73	(70.20)
<b>Profit/(Loss) after Tax</b>	<b>5,811.91</b>	<b>1,699.65</b>
Total Other Comprehensive Income	11.32	25.88
<b>Profit/(Loss) for the year after comprehensive income</b>	<b>5,823.23</b>	<b>1,725.53</b>
Add: Balance brought forward from Previous Year	(1,469.92)	(3,195.45)
Amount carried to Reserves	-	-
<b>Surplus/(Deficit) transferred to Balance Sheet</b>	<b>4,353.31</b>	<b>(1,469.92)</b>

### PERFORMANCE OF THE COMPANY

During the year under review, your Company's Revenue from Operations was Rs. 1,21,465.84 Lakh as compared to Rs. 1,26,463.90 Lakh in the previous financial year. Company's Profit after comprehensive income was Rs. 5,823.23 Lakh as compared to Rs. 1,725.53 Lakh in the previous financial year.

### REVIEW OF OPERATIONS

#### Sugar Division

Operational data of the Company for the financial year 2018-2019 and 2017-2018 are as under:

Financial Year	Cane crushed (In Lakhs Qtls.)	Sugar produced (In Lakhs Qtls.)	Recovery %
2018-2019	341.02	39.86	11.69
2017-2018	333.69	37.13	11.13

Following are the season wise data of Cane crushed and Sugar produced:

Crushing Season	Cane crushed (In Lakhs Qtls)	Sugar produced (In Lakhs Qtls)	Recovery %
2018-2019	330.85	39.24	11.86
2017-2018	368.80	41.38	11.22

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The Company registered a gross turnover of Sugar of Rs. 1,02,327/- Lakhs for the year ended 31<sup>st</sup> March, 2019 against Rs. 1,10,963/- Lakhs for the year ended 31<sup>st</sup> March, 2018 – a decrease of gross turnover of 7.78 %. The net sales realization at Rs. 3,133 per qtls. for Current year ending 31<sup>st</sup> March, 2019 was lower as compared to Rs. 3,642 per qtls. for the previous year ended 31<sup>st</sup> March, 2018.

During the financial year, the Company commenced its crushing in all units i.e. Libberheri, Barkatpur, Khaikheri & Shermau in middle of November 2018. The Company's aggregate sugar cane crushing was 330.85 Lakhs qtls. during the season 2018-19 as against 368.80 Lakhs qtls. in 2017-18. The Company had a higher recovery of 11.86% as against 11.22% in previous season. The increase in recovery was mainly due to optimum mix of better cane varieties, varietal replacement and better cane management. The Company continued to focus on cane development activities, comprising of varietal replacement with proven high sugared varieties, change in pattern of sowing, ratoon management, encouraging use of Bio – fertilizers, Bio-pesticides, soil testing activities etc. and modern agricultural practices due to which the recovery and crushing is expected to further improve in the coming season. Apart from these activities, company is further strengthening the cane development activities by way of development of in-house agri research centre, integrated pest management programme, soil testing facilities, encouraging use of Bio-fertilizers and Bio-pesticides and training facilities for the farmers and cane development staff.

The Uttar Pradesh and Uttarakhand Government have announced State Advised Price (SAP) for sugarcane at Rs.315/- per qtl (Rs 325/- per qtl for early variety) and Rs. 317 per qtl (Rs 327/- per qtl for early variety) respectively for season 2018-19. SAP was kept unchanged at Rs. 315/- per qtls. for general variety for Uttar Pradesh. However, there was marginal increase in the SAP of Re. 1/- per qtls. for Uttarakhand.

### Co-generation Division

During the period under review, your company produced 2,773.90 Lakhs KWH units of power as compared to 2,720.28 Lakhs KWH units of power in the year 2017-2018. Out of total production, your company exported 1,443.03 Lakhs KWH units to UPPCL/UPCL for a total amount of Rs.7,331.94 Lakhs against 1,442.36 Lakhs KWH for an amount of Rs. 7,273.91 Lakhs in the previous year.

REC is an additional source of Revenue to your company. During the year 2018-19 Company traded 35,878 units of REC for Rs. 396.32 Lakhs.

### Distillery Division

Your company has a Distillery with an installed capacity of 150 KLPD (75 KLPD till 31.12.2018) at Barkatpur (Distt. Bijnor) in the State of Uttar Pradesh. During the year under review 233.64 Lakhs bulk litres (BL) of industrial alcohol produced as compared to 63.16 Lakhs bulk litres in the year 2017-18 and your company sold 232.97 Lakhs bulk litres industrial alcohol (including Ethanol) as compared to 93.16 Lakhs bulk litres in the previous year.

CO<sub>2</sub> gas produced and sold of 21.17 Lakhs kg amounting to Rs 56 Lakhs during the Year as compared to production and sales of 4.05 Lakhs kg amounting to Rs 12 Lakhs in the previous year ending 31<sup>st</sup> March 2018.

### Future Outlook

Sugar industry Association is requesting on continuous basis to the State/Central Government for fixing cane price on the basis of revenue sharing formula. Sugar prices drastically decreased during the latter part of the current financial year specifically fourth quarter which continued to show a drastic dip in the beginning of next financial year both at domestic and international level.

Central government has taken certain steps to stabilize the price of sugar like:

- Government of India has increased the import duty on sugar to 100% from 50% level to maintain the domestic prices.
- Minimum Indicative Export Quotas (MIEQ)- In view of the inventory levels with the sugar industry and to facilitate achievement of financial liquidity, mill-wise Minimum Indicative Export Quotas (MIEQ) have been fixed for sugar season 2017-18 – (20 Lakhs M.T.) and for sugar season 2018-19 – (50 Lakhs M.T.) by government of India.
- Quantity restriction imposed on sale of sugar from June 18 onwards and it is continued.
- Fixing of minimum selling price of sugar at Rs. 31/- per kg (Earlier fixed at Rs.29/- per kg).

However, there will be gap of demand and supply quantity of sugar in India due to excess production of sugar.

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During the year, CCEA has approved the following for the sugar season 2018-19 during ethanol supply period from 1<sup>st</sup> December 2018 to 30<sup>th</sup> November 2019:

- To fix the ex-mill price of ethanol derived out of C heavy molasses to Rs.43.46 per liter (from prevailing price of Rs.40.85 per liter). Additionally, GST and transportation charges will also be payable.
- To fix ex-mill price of ethanol derived from B-heavy molasses at Rs.52.43 per liter (from prevailing price of Rs.47.49 per liter). Additionally, GST and transportation charges will also be payable.
- To fix ex-mill price of ethanol fixed at Rs. 59.13 Per liter (ex mill) for the same period for manufactured out of Sugar Cane Juice.

As the price of ethanol is based on estimated FRP for sugar season 2018-19, it will be modified by Ministry of Petroleum and Natural Gas (MoPNG) as per actual Fair & Remunerative Price (FRP) declared by the Government.

### DIVIDEND

The Company has generated profits during the current financial year but in view of the losses incurred in the previous financial years and carried forward losses, your Directors are unable to recommend any dividend.

### SHARE CAPITAL

The paid-up equity share capital outstanding as on 31<sup>st</sup> March, 2019 was Rs. 38.14 Crore. During the year under review, the Company has not issued any Shares including shares with Differential Voting Rights/ Stock Options/Sweat Equity, etc.

However, during the period under review the Company has re-classified the Authorised Share Capital from Rs. 2,05,00,00,000/- (Rupees Two Hundred Five Crores only) divided into 4,00,00,000 (Four Crores) Equity Shares of Rs. 10/- (Rupees Ten) each and 1,65,00,000 (One Crore Sixty Five Lakh) Redeemable Preference Shares of Rs. 100/- (Rupees One Hundred) each into Rs. 2,05,00,00,000/- (Rupees Two Hundred Five Crores only) comprising of 7,00,00,000 (Seven Crores) Equity Shares of Rs.10/- (Rupees Ten) each and 1,35,00,000 (One Crore Thirty Five Lakh) Redeemable Preference Shares of Rs. 100/- (Rupees One Hundred) each after obtaining the necessary approval of shareholders by way of Special Resolution.

### CAPACITY ADDITION/EXPANSION

With reference to our earlier information to our members in the Annual report 2017-18 regarding expansion in the Distillery (Ethanol) Capacity from 75 KLPD to 150 KLPD at the Barkatpur unit of the Company, we would like to inform you that Company has successfully enhanced and implemented the capacity addition of 75 KLPD at the Barkatpur unit of the Company. The Company is also in process of establishing incineration boiler of 60TPH capacity at Barkatpur unit of the company. This will enable further improvement in the production of Ethanol at Barkatpur unit. Besides, your company is also taking necessary steps to set up Distillery with a capacity of 50 KLPD at Libberheri unit of the Company.

### DEPOSITS

Your Company has neither accepted nor renewed any deposit within the meaning of Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014. There were no unclaimed deposits at the end of Financial Year i.e. 31<sup>st</sup> March, 2019.

### DIRECTORS / KEY MANAGERIAL PERSONNEL (KMP)

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Ashok Kumar Aggarwal, Executive Director (DIN: 05199585) of the Company is liable to retire by rotation and being eligible, offers himself for reappointment. The Board recommends the re-appointment of Mr. Ashok Kumar Aggarwal as Director in the ensuing AGM of the Company.

Mr. N. K. Sawhney and Mrs. Rutuja Rajendra More, Independent Directors of the Company, being eligible are proposed to be re-appointed as Independent Directors of the Company for their second term of five years as per the provisions of the Companies Act, 2013.

Brief profile of Mr. Ashok Kumar Aggarwal (Executive Director), Mr. N. K. Sawhney and Mrs. Rutuja Rajendra More (Independent Directors) and other disclosure as stipulated under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given as Annexure to the Notice convening the Annual General Meeting.

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Further, as per the provisions of newly inserted Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "the Listing Regulations"), effective from April 1, 2019, no listed entity shall appoint a person or continue the directorship of any person as a non-executive Independent director who has attained the age of seventy five (75) years unless a special resolution is passed to that effect. On the Board of your Company, Dr. R. Vasudevan and Mr. N. K. Sawhney, Independent Directors of the Company are more than 75 years of age. Accordingly, their continuance of appointment as Independent Directors require the shareholders approval by way of Special Resolutions.

In this context, shareholders approval by way of Special Resolution was obtained for Dr. R. Vasudevan in the annual general meeting held on 30<sup>th</sup> December, 2015. Whereas, ratification of continuance of appointment of Mr. N. K. Sawhney as Independent Director is proposed by way of Special Resolution in the ensuing AGM.

All the Directors have made necessary disclosures as required under the various provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the year, there has been no change in the Directors and Key Managerial Personnel of the Company. However, Mr. Amir Singh Yadav has been appointed as Nominee Director of Punjab National Bank on the Board of the Company w.e.f 07<sup>th</sup> August, 2019.

### DIRECTORS' RESPONSIBILITY STATEMENT

The Board of Directors acknowledges the responsibility for ensuring compliance with the provisions of Section 134(3) (c) read with Section 134(5) of the Companies Act, 2013 and state that:

- i. in the preparation of the Annual Accounts for the year ended 31<sup>st</sup> March, 2019, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- ii. they have selected appropriate accounting policies and have applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2019 and of the profits of the Company for the year ended on that date;
- iii. they have 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. they have prepared the annual accounts on a 'going concern' basis;
- v. they have 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. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### AUDITORS

M/s SSVS & Co., Chartered Accountants, were appointed as Statutory Auditors in the 22<sup>nd</sup> AGM of the company held in the year 2017 for a tenure of 5 (five) years, i.e. from 22<sup>nd</sup> AGM till the conclusion of 27<sup>th</sup> AGM to be held in the calendar year 2022 subject to their ratification of their appointment at every Annual General Meeting.

However, in terms of provisions of Companies (Amendment) Act, 2017, the requirement for ratification of the auditors at every annual general meeting has been removed and no such ratification is required anymore. Therefore, it is proposed to the shareholders to dispense with the requirement of ratification of the appointment of M/s SSVS & Co., Chartered Accountants at every Annual General Meeting.

The Company has received consent letter and certificate from the Auditors to the effect that they are not disqualified to act as Auditors within the meaning of Section 139 and 141 of the Companies Act, 2013.

### Auditors' Observations

Your Directors wish to clarify the observations reported by the Statutory Auditors, as under: -

1. Regarding observation in Para 1 of Annexure 'A' to the Report relating to the title deeds of the immovable property not in the name of the Company in few cases, your Directors wish to state that the necessary action is being taken by the Company for registration of such immovable property in the name of the Company.
2. Regarding observation in Para 8 of Annexure 'A' to the Report, there are no delays in the repayment of interest/installments to the Bank/Others. However, relating to delays in the repayment of interest/principal amount of the soft loan due to Govt. of Uttarakhand, your Directors wish to state that company has made a representation to the State Govt. for waiver of the loan alongwith interest, which is under consideration.

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### COST AUDITORS

As per the requirements of the Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, your Company is required to maintain cost records and accordingly, such accounts are made and records have been maintained. The Board on the recommendation of the Audit Committee has re-appointed M/s M. K. Singhal & Company (Firm Regn. No. 00074), Cost Accountants, to audit the Cost Accounting records relating to Sugar, Cogeneration and Industrial Alcohol for Financial Year 2019-20.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the members of the Company. The Board recommends the same for approval of members in the ensuing Annual General Meeting.

### SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, amended upto date and other applicable provisions, if any, M/s N. K. Rastogi & Associates (Firm Regn. No. 3785), Practicing Company Secretaries conduct the Secretarial Audit of the Company for the Financial Year 2018-19. The Secretarial Audit Report for the financial year ended 31<sup>st</sup> March, 2019 is attached and marked as **"Annexure-I"** and forms part of the Board's Report. The Secretarial Auditors' Report does not contain any qualification, reservation or adverse remark.

### MEETINGS

The details of Board Meetings and Committee Meetings held during the period under review are given in the Corporate Governance Report.

### AUDIT COMMITTEE

The Company has in place Audit Committee as per the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The details of terms of reference, composition of the Audit Committee, number and dates of meeting held, attendance of members and other details are given separately in the attached Corporate Governance Report. The Audit Committee satisfies the requirements of Section 177 of the Companies Act, 2013 read with Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. All recommendations made by the Audit Committee during the year were accepted by the Board.

### EXTRACT OF ANNUAL RETURN

The extract of the Annual Return as required under the provisions of Section 92 of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, amended upto date, is annexed herewith and marked as **"Annexure-II"** to this Report. The Annual Return is also available on the Company's website [www.uttamsugar.in](http://www.uttamsugar.in) and weblink of the same is [http://www.uttamsugar.in/adminpanel/product\\_image/c35700ee75e598eeff36036ebd183f47Annexure%20II%20-%20MGT-9%20EXTRACT%20OF%20ANNUAL%20RETURN\\_31.03.2019.pdf](http://www.uttamsugar.in/adminpanel/product_image/c35700ee75e598eeff36036ebd183f47Annexure%20II%20-%20MGT-9%20EXTRACT%20OF%20ANNUAL%20RETURN_31.03.2019.pdf)

### VIGIL MECHANISM/ WHISTLE BLOWER POLICY

Pursuant to the provisions of Section 177 of the Companies Act, 2013 read with Rules made thereunder and Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has in place a whistleblower policy to deal with unethical behavior, victimization, fraud and other grievances or concerns, if any. The Policy allows the whistle-blowers to have direct access to the Chairman of the Audit Committee and also protects them from any kind of discrimination or harassment. The aforesaid policy can be accessed on the Company's website [www.uttamsugar.in](http://www.uttamsugar.in) and weblink of the same is [http://uttamsugar.in/adminpanel/product\\_image/944405c6b370a929b0493f9264721ae6WHISTLE-BLOWER-&-VIGIL-MECHANISM.pdf](http://uttamsugar.in/adminpanel/product_image/944405c6b370a929b0493f9264721ae6WHISTLE-BLOWER-&-VIGIL-MECHANISM.pdf).

### NOMINATION & REMUNERATION COMMITTEE

Pursuant to the provisions of Section 178 of the Companies Act, 2013 read with Rules made thereunder and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has in place Nomination & Remuneration Committee and the details of terms of reference, composition, number & dates of meeting held, attendance and other details are given separately in the attached Corporate Governance Report.

The Board on the recommendation of Nomination & Remuneration Committee framed a policy i.e. Nomination and Remuneration Policy for selection and appointment of Directors, senior managerial personnel and their remuneration, including criteria for determining qualifications, positive attributes, independence of a director. The aforesaid policy can be accessed on the Company's website [www.uttamsugar.in](http://www.uttamsugar.in) and weblink of the same is [http://uttamsugar.in/adminpanel/product\\_image/8ede3de06c7d2e26770be337f132fa1d4cec6a98-638d-46ee-9822-ca8a6f6a220a.pdf](http://uttamsugar.in/adminpanel/product_image/8ede3de06c7d2e26770be337f132fa1d4cec6a98-638d-46ee-9822-ca8a6f6a220a.pdf).



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### ANNUAL EVALUATION OF BOARD PERFORMANCE

As per the provisions of the Companies Act, 2013 a formal annual evaluation needs to be done by the Board of its own performance and of its committees and other individual directors. Pursuant to the provisions of the Act and the Listing Regulations, the Board has carried out the annual performance evaluation of the Board, Independent Directors, Non-executive Directors, Executive Directors, Committees and the Chairman of the Board.

Accordingly, the above said evaluation was done based on criteria which includes, among others, providing strategic perspective, Chairmanship of Board and Committees, attendance and preparedness for the meetings, contribution at meetings, effective decision making ability and role of the Committees. The detailed analysis of performance evaluation is incorporated under the head 'Nomination and Remuneration Committee' in Corporate Governance Report.

### PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT UNDER SECTION 186 OF THE COMPANIES ACT, 2013

The Company has not given any loan or made any investment or provided guarantee during the year under review in terms of Section 186 of the Companies Act, 2013.

### PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SECTION 188(1) OF THE COMPANIES ACT, 2013

All related party transactions entered during the year are negotiated on an arms-length basis and are in the ordinary course of business. There have been no materially significant related party transactions made by the Company with the promoters, directors and key managerial personnel of the Company, which may be in conflict with the interest of the Company at large. Further, the suitable disclosure as required in IND AS-24 regarding Related Party Transactions has been made in the notes to financial statements. The Company's policy for Related Party Transaction is available on Company's website i.e. [www.uttamsugar.in](http://www.uttamsugar.in) and weblink of the same is [http://uttamsugar.in/adminpanel/product\\_image/494aae23216ee62f6ad0a354f21aaca2PolicyonRelatedPartyTransaction.pdf](http://uttamsugar.in/adminpanel/product_image/494aae23216ee62f6ad0a354f21aaca2PolicyonRelatedPartyTransaction.pdf).

### PARTICULARS OF EMPLOYEES

The particulars of employees as required under Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are attached with this Report and marked as "**Annexure-III**". During the year under review, no complaint / case was filed or was pending for redressal pursuant to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars in respect of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo as required under Section 134(3)(m) of the Companies Act, 2013, are given in a separate annexure attached hereto and forms part of this Report and marked as "**Annexure-IV**".

### INTERNAL FINANCIAL CONTROLS

The Company has an adequate system of internal control relating to the nature of the business of the Company. A detailed note has been provided under Management Discussion and Analysis Report. The Company has an Audit Committee which ensures proper compliance with the provisions of the Companies Act, 2013 and Listing Regulations and also reviews the adequacy and effectiveness of the internal control systems.

### SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

There were no significant or material orders passed by the Regulators or Courts or Tribunals which may impact the going concern status and Company's operations in future.

### CORPORATE SOCIAL RESPONSIBILITY (CSR)

In accordance with the requirements of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has constituted a Corporate Social Responsibility (CSR) Committee. The details of composition of CSR committee are given in the Corporate Governance Report attached hereto. The CSR Committee has framed and finalised the CSR policy of the Company which was duly approved by the Board. The CSR policy of the Company can be accessed on the Company's website: [www.uttamsugar.in](http://www.uttamsugar.in) and weblink of the same is [http://uttamsugar.in/adminpanel/product\\_image/c759ed36b95983ec3553f06654133160CorporateSocialResponsibilityPolicy.pdf](http://uttamsugar.in/adminpanel/product_image/c759ed36b95983ec3553f06654133160CorporateSocialResponsibilityPolicy.pdf).

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Annual report on CSR activities as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 has been appended as **"Annexure-V"** and forms integral part of this Report.

### RISK MANAGEMENT POLICY

The Company has in place Risk Management policy to identify and evaluate business risk and opportunity of Risk Management to minimize the adverse impact on business objectives and enhancement of company's competitive advantage. The policy facilitates to identify the risk at appropriate time and necessary steps to be taken to mitigate the risk. The detailed risk analysis and their mitigation are given in the Management Discussions and Analysis Report.

### SUBSIDIARY/ASSOCIATE/JOINT VENTURE COMPANIES

The Company does not have any Subsidiary, Associate and/or any Joint Venture Company.

### MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY

Except those disclosed in this Annual Report, there are no material changes and commitments affecting the financial position of the Company between the end of the financial year i.e. 31<sup>st</sup> March, 2019 and the date of this Report.

### CORPORATE GOVERNANCE

The report on Corporate Governance as stipulated under Regulation 34 (3) read with Schedule V (C) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, forms an integral part of this Report and marked as **"Annexure-VI"**, which also includes a Certificate obtained from a Practicing Company Secretary pursuant to the said Regulations.

### MANAGEMENT DISCUSSION & ANALYSIS REPORT

A separate Report on Management Discussion and Analysis for the year under review, as stipulated under regulation 34(2)(e) read with Schedule V (B) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is presented in a separate Section and forms part of this Report and marked as **"Annexure-VII"**.

### INDUSTRIAL RELATIONS

Industrial relations continued to remain cordial throughout the year under review.

### ACKNOWLEDGEMENT

Your Directors thank the Customers, Suppliers, Farmers, Dealers, various Govt. Agencies, Banks and Shareholders for their continued support and co-operation. Further, your Directors also acknowledge the dedicated services rendered by all the employees of the Company.

**For and on behalf of the Board  
FOR UTTAM SUGAR MILLS LTD.**

Place : Noida  
Date : 10<sup>th</sup> August, 2019

(ASHOK KUMAR AGGARWAL) (RAJ KUMAR ADLAKHA)  
EXECUTIVE DIRECTOR                      MANAGING DIRECTOR  
(DIN : 05199585)                              (DIN : 00133256)