



# **ANNUAL REPORT 2014**



## **SHREE HANUMAN SUGAR & INDUSTRIES LIMITED**

### **MANAGING DIRECTOR**

Shri Bimal Kumar Nopany

### **DIRECTORS**

Shri Raj Kumar More — *Whole Time Director*

Shri Lakshmikant Tibrawalla

Ms Pratima Srivastava

Ms Shabnam Agarwal

### **REGISTERED OFFICE**

Chandra Kunj', 4<sup>th</sup> Floor

3, Pretoria Street, Kolkata-700 071

Phone: (033) 2282-1169/1170

Fax: (033) 2282-1187/1188

### **REGISTRAR & SHARE TRANSFER AGENT**

M/s. Maheshwari Datamatics Pvt. Ltd.

6, Mangoe Lane

Kolkata 700 001

Phone: (033) 2248-2248/2243-5029

Fax: (033) 2248-4787

### **STATUTORY AUDITORS**

M/s. Agarwal Gupta Nokari & Rustagi Associates

Chartered Accountants

12, Waterloo Street, 3rd Floor

Kolkata-700 069

### **BANKERS**

Andhra Bank

Bank of Baroda

Axis Bank

## **SHREE HANUMAN SUGAR & INDUSTRIES LIMITED**

Regd. Office : 'Chandra Kunj', 4th Floor, 3 Pretoria Street, Kolkata-700 071

### **NOTICE**

NOTICE is hereby given that the 84<sup>th</sup> Annual General Meeting of the Members of **Shree Hanuman Sugar & Industries Limited** will be held on Monday, the 31st August, 2015 at 03.00 p.m. at the Registered Office of the Company at 'Chandra Kunj', 3, Pretoria Street, Kolkata – 700071 to transact the following business:

#### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 30<sup>th</sup> June, 2014 and the reports of the Board of Directors (the Board) and Auditors thereon.
2. To declare a dividend on equity shares.
3. To appoint a Director in place of Shri R. K. More (DIN: 00119618), who retires by rotation at this Annual General Meeting and being eligible has offered himself for re-appointment.
4. To appoint a Director in place of Shri L. K. Tibrawalla (DIN: 00423521), who retires by rotation at this Annual General Meeting and being eligible has offered himself for re-appointment.
5. To re-appoint auditors of the Company to hold office from the conclusion of this AGM until the conclusion of the 89<sup>th</sup> AGM and to fix their remuneration and to pass the following resolution:  
"Resolved that, pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Rules made thereunder, M/s. the Company, appointed M/s. Agarwal Gupta Nokari & Rustagi Associates, Chartered Accountants (F.R. No.310041E & Membership No. 017387), be and are hereby re-appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting (AGM) to the conclusion of the 89<sup>th</sup> Annual General Meeting (subject to ratification of the appointment by the members at every AGM held after this AGM) and that the Board of Directors be and are hereby authorized to fix such remuneration as may be recommended by the audit committee of the Board in consultation with the auditors."

#### **SPECIAL BUSINESS:**

##### **6. Adoption of new set of Articles of Association of the Company**

To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the draft regulations contained in the Articles of Association submitted to this meeting be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company;

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

##### **7. Appointment of Shri L. K. Tibrawalla as Independent Director**

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 Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 (‘the Act’) and the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and Clause 49 of the Listing Agreement, Shri L. K. Tibrawalla (DIN: 00423521), an Independent Director of the Company since 20/06/2005 who retires by rotation at this meeting and has offered himself for reappointment, be and is hereby appointed as Independent Director of the Company to hold office for a term ending on the March 31, 2019.”

**8. Appointment of Ms. Pratima Srivastava as Independent Director**

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 Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 (‘the Act’) and the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and Clause 49 of the Listing Agreement, Ms. Pratima Srivastava (DIN: 01192980), an Independent Director of the Company since 04/05/2009, be and is hereby appointed as Independent Director of the Company to hold office for a term ending on March 31, 2019.”

**9. Appointment of Ms. Shabnam Agarwal as Independent Director**

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 Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 (‘the Act’) and the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and Clause 49 of the Listing Agreement, Ms. Shabnam Agarwal (DIN: 02428022), an Independent Director of the Company since 09/09/2013, be and is hereby appointed as Independent Director of the Company to hold office for a term ending on March 31, 2019.”

**10. Re-appointment of Shri B. K. Nopany as Managing Director**

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Special Resolution:**

“RESOLVED THAT pursuant to the provisions of Sections 196 and 197, Schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), approval be and is hereby given to the re-appointment of Shri Bimal Kumar Nopany (DIN: 00694221) as the Managing Director of the Company for a period of three (3) years, with effect from 1<sup>st</sup> July, 2014, on the terms and conditions including remuneration as set out in the Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and / or remuneration as it may deem fit and as may be acceptable to Shri B. K. Nopany, subject to the same not exceeding the limits specified in Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof;

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

[including any statutory modification(s) or re-enactment thereof for the time being in force]

## 11. Approval of Related Party Transactions

To consider and, if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to Clause 49 of the Listing Agreement, as amended from time to time, and Section 188 of the Companies Act, 2013, if applicable and other applicable provisions of the said Act, if any, the following related party transactions be and are hereby approved and ratified and also consent of the Company be and is hereby accorded for continuation thereof during the financial year 2014-15 and 2015-16, as per the terms and conditions specified in the respective contracts:

Name of Related Party	Related Party Transactions	Max. value of Transactions during each Financial Year 2014-15 and 2015-16 (Rs. In lacs)
Nopany & Sons Pvt Ltd	Sale of Property or Property Rights	1000.00
	Borrowings	500.00
Eastern Sugar & Industries Limited	Purchase/Sale of Property or Property Rights	1000.00
	Lending	500.00
	Purchase of Plant & Machinery	2000.00
Nopany Investments Pvt Ltd	Sale of Property or Property Rights	1000.00
	Borrowings	500.00
Shruti Ltd	Sale of Property or Property Rights	1000.00
	Lending or Borrowings	500.00
Bimal Kumar Nopany	Borrowings	500.00

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds and things or take such steps or actions which they may deem necessary in this respect.”

## 12. Sub-division of Equity Shares

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

“RESOLVED THAT pursuant to the provisions of Section 61, 64 and other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification or re-enactment thereof for the time being in force) and in accordance with the provisions of the Memorandum and Articles of Association of the Company and subject to such other approval(s), consent(s), permission(s) and sanction(s) as may be necessary from the concerned Statutory Authority(ies), each Equity Share of the Company having a face value of Rs. 10/- each fully paid-up be sub-divided into 5 (Five) Equity Shares of the face value of Rs. 2/- (Two) each fully paid-up;

RESOLVED FURTHER THAT on sub-division, 5 (Five) Equity Shares of face value of Rs. 2/- each be allotted in lieu of existing 1 (one) Equity Share of Rs. 10/- each subject to the terms of the Memorandum and Articles of Association of the Company and shall rank pari passu in all respects with the existing fully paid Equity Shares of Rs. 10/- each of the Company and shall be entitled to participate in full in dividends to be declared after the subdivided Equity Shares are allotted;

RESOLVED FURTHER THAT on sub-division of Equity Shares as aforesaid, the existing share certificate(s) in relation to the existing Equity Shares of the face value of Rs. 10/- each held in physical form shall be deemed to have been automatically cancelled and be of no effect on and from the Record Date and the Company may, without requiring the surrender of the existing share

certificate(s), issue and dispatch the new share certificate(s) of the Company in lieu of such existing share certificate(s) subject to the provisions of the Companies (Share Capital and Debentures) Rules, 2014 and in the case of Equity Shares held in the dematerialized form, the number of subdivided Equity Shares be credited to the respective beneficiary accounts of the Members with the depository participants, in lieu of the existing credits representing the Equity Shares of the Company before subdivision;

RESOLVED FURTHER THAT subject to approval(s), consent(s), permission(s) and sanction(s) as may be necessary from the concerned Statutory Authority(ies) and Indian Depositories the consent of the Company be and is hereby accorded for registering additional equity shares arising out of the stock split/sub-division as may be required to maintain the existing ratio of shares post sub-division;

RESOLVED FURTHER THAT the Board of Directors of the Company (which expression shall also include a Committee thereof) be authorised to take such steps as may be necessary including the delegation of all or any of its powers herein conferred to any Director(s), the Company Secretary or any other officer(s) of the Company for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matter arising out of and incidental thereto, and to execute all deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all acts, deeds, matters and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to this resolution."

#### **STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 ("the Act")**

The Equity Shares of the Company are listed and actively traded on the BSE Limited. With a view to encourage the participation of small investors by making Equity Shares of the Company affordable, the Board has considered and approved the sub-division of one Equity Share of the Company having a face value of Rs. 10/- each into 5 (Five) Equity Shares of face value of Rs. 2/- (Two) each subject to approval of the Members and any other statutory and regulatory approvals, as applicable. The Record Date for the aforesaid sub-division of the Equity Shares will be fixed after approval of the Members is obtained.

Presently, the authorised share capital of the Company is Rs. 7,000 Lacs divided into 700 Lacs Equity Shares of Rs. 10/- each.

The sub-division as aforesaid would require consequential amendments to the existing Clause 5 of the Memorandum of Association as set out in Item No. 12 of the Notice respectively to reflect the change in face value of each Equity Share.

The Directors recommend passing of the Resolution at Item No. 12 of the Notice.

None of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested in the Resolution at Item No. 12 of the Notice except to the extent of their shareholding in the Company.

#### **13. Alteration in Memorandum of Association**

To consider and, if thought fit, to pass with or without modification(s), the following resolution as **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 13 of the Companies Act, 2013 (the Act) read with the Rules made thereunder, the sub-clause 5 shall be substituted by the following sub-clause:

5. The Authorised Share Capital of the Company at present is Rs. 7000 Lacs only divided into 3500 Lacs equity shares of Rs. 2/- (Two) each, with power to increase and reduce the capital and to divided the Shares in capital for the time being into several classes and to attach thereto respectively such preferential, deferred or Special rights, privileges or conditions as may be determined by or in accordance with the Regulation of the Company to vary, modify or abrogate such rights privileges or conditions in such manner as may for the time being be provided by the regulation of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company (which term shall include a

committee thereof) be and is hereby severally authorized to make such applications and to do and perform all such acts, deeds, matters or things as may be necessary, appropriate, expedient or desirable to give effect to this Resolution.”

**STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 (“the Act”)**

The existing Memorandum of Association required alteration to reflect the sub-division of equity shares as proposed hereinabove.

The Directors recommend the Resolution set out at Item No. 13 of this Notice for approval by the Members.

None of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested in the Resolution at Item No. 13 of the Notice except to the extent of their shareholding in the Company.

By Order of the Board

For **SHREE HANUMAN SUGAR & INDUSTRIES LTD**

Registered Office:

Chandra Kunj, 4<sup>th</sup> Floor

3, Pretoria Street, Kolkata - 700071

14th July, 2015

CIN: U15432WB1932PLC007276

E-mail: info@hanumansugar.com

**B. K. Nopany**

Managing Director

**NOTES:**

1. **A member entitled to attend and vote at the Annual General Meeting (the Meeting”) is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting.**

**A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.**

2. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
3. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
4. A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
5. All documents referred to in the Notice will be available for inspection at the Company’s registered office during normal business hours on working days up to the date of the AGM.
6. The Company has notified closure of Register of Members and Share Transfer Books from 27th August, 2015 to 31st August, 2015 (both days inclusive) for determining the names of members eligible for dividend on Equity Shares, if declared at the Meeting.

The dividend, if declared, will be paid after 31st August, 2015 to those members whose names shall appear on the Register of Members of the Company on 31st August, 2015. In respect of dematerialized



shares, the dividend will be payable on the basis of beneficial ownership as per the details to be furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for this purpose.

7. Members holding shares in electronic form are requested to intimate immediately any change in their address to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address immediately to the Company/Registrar and Transfer Agent.
8. Members are requested to furnish/update details of their Bank Account to the Company/Registrar & Transfer Agents/Depository Participants to enable the Company to print the same on the dividend warrants/to avail of ECS facility, whatever applicable.
9. Pursuant to the provisions of section 205A (5) of the Companies Act, 1956, dividend not claimed within 7 years will be transferred to the Investor Education & Protection Fund (IEPF). Shareholders, who have not encashed their dividend warrants(s) so far for the financial year ended 30th June, 2008 or any subsequent financial years, are requested to make their claim to the R&T Agents of the Company.  
According to the provisions of the Act, no claims shall lie against the said Fund or the Company for the amounts of dividend so transferred nor shall any payment be made in respect of such claims.
10. **Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.**
11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / Registrar.
12. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company.
13. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to the Registrar and Transfer Agent, for consolidation into a single folio.
14. Non-Resident Indian Members are requested to inform the Registrar, immediately change in their residential status on return to India for permanent settlement.
15. The Members attending the General Meeting are requested to bring enclosed attendance slip, duly filled in.
16. Members, who hold share in de-materialised form, are requested to bring their client ID and DP-ID number for the purpose of identification and attendance at the meeting.
17. Details under Clause 49 of the Listing Agreement with the Stock Exchange in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting, forms integral part of the notice. The Directors have furnished the requisite declarations for their appointment/re-appointment.
18. Electronic copy of the Annual Report for the year 2013-14 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copy of the Annual Report for 2013-14 is being sent in the permitted mode.

19. Electronic copy of this Notice inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless a member has requested for a hard copy of the same. For members who have not registered their email address, physical copies thereof is being sent in the permitted mode.
20. Members may also note that this Notice and the Annual Report for the year 2013-14 will also be available on the Company's website [www.hanumansugar.com](http://www.hanumansugar.com) for their download.
21. Voting through Electronic means:
  - a) Pursuant to the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Company (Management and Administration) Rules, 2015 and Clause 35B of the Listing Agreement, the company is please to provide members the facility to exercise their vote through remote e-voting in respect of the resolutions proposed to be passed at the ensuing Annual General Meeting (AGM) by using the electronic voting facility provided by The Central Depository Services Limited (CDSL).
  - b) **The remote e-voting period commences at 9:30 a.m. on Friday, 28th August, 2015 and ends at 5:00 p.m. on Sunday, 30th August, 2015. The remote e-voting module shall be disabled by CDSL for voting thereafter.**
  - c) During the remote e-voting period, members of the Company, holding shares either in physical form or dematerialized form, as on the cut-off date i.e. **24th August, 2015** may cast their vote electronically.
  - d) **Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.**
  - e) **Voting rights of the member shall be in proportion to their respective shareholding as on the cut-off date i.e. 24th August, 2015.**
  - f) The facility for voting through polling paper shall be made available at the AGM and members attending the meeting who have not cast their vote by remote e-voting shall be eligible to exercise their right to vote at the meeting through polling paper.
  - g) The members who have cast their vote by remote e-voting prior to AGM may also attend the AGM but shall not be entitled to cast their vote again.
  - h) Any person who acquires shares of the Company and becomes a member of the Company after the dispatch of this Notice and holds shares as on the cut-off date i.e. 24th August, 2015 should follow the instructions for e-voting as mentioned below for FIRST TIME USER. In case of any queries, the shareholder may also contact the Registrar & Transfer Agent.
  - i) The Board of Director has, at its meeting held on 10th July, 2015, appointed Mr. Birendra Kumar Sethia, Sethia & Co., Chatered Accountants, 12, Mangoe Lane, 1st Floor, Kolkata-700001, has been appointed as the scrutinizer to scrutinize the voting process (electronically or otherwise) in a fair and transparent manner.
  - j) A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as will as voting at AGM through ballot paper.
  - k) **The Instructions for Shareholders Voting Electronically are as under:**
    - i) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period.
    - ii) Click on "Shareholders" tab.

iii) Now Enter your User ID

- a. For CDSL: 16 digits beneficiary ID,
- b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
- c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

iv) Next enter the Image Verification as displayed and Click on Login.

v) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.

vi) If you are a FIRST TIME USER follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"><li>● Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li><li>● In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li></ul>
DOB	<p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"><li>● Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id /folio number in the Dividend Bank details field as mentioned in instruction (iii).</li></ul>

vii) After entering these details appropriately, click on "SUBMIT" tab.

viii) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

x) Click on the EVSN for the relevant Shree Hanuman Sugar and Industries Limited on which you choose to vote.

xi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

- xii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- xiii) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- xiv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xv) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- xvi) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xvii) Note for Institutional Shareholders:
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they should create compliance user using the admin login and password. The Compliance user would be able to link the depository account(s) / folio numbers on which they wish to vote.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- xviii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
22. The scrutinizer shall, after the conclusion of the AGM, first count the votes cast at the meeting and thereafter unlock the votes cast through remote e-voting in the presence of atleast 2(Two) witnesses not in the employment of the Company. The Scrutinizer shall, within a period not more than three days from the conclusion of the AGM, prepare a consolidated Scrutinizers’ Report of the votes cast in favour or against, if any, and submit to the Chairman or any person authorized by him in writing, who shall countersign the same and declare the results of voting.
23. The results so declared alongwith the Scrutinizer’s Report shall be placed on the Website of the Company and CDSL subject to the receipt of the requisite number of votes, the resolution set out in the Notice shall be deemed to be passed on the date of the Annual General Meeting. The results shall also be forwarded to the Stock Exchanges at which Company’s Shares are listed.



## **STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 ("the Act")**

The following Statement sets out all material facts relating to the Special business mentioned in the accompanying Notice:

### **Re.: Item No. 6 – Adoption of new set of Articles of Association of the Company**

The existing Articles of Association (AoA) are based on the Companies Act, 1956 and several regulations in the existing AoA contain references to specific sections of the Companies Act, 1956 and some regulations in the existing AoA are no longer in conformity with the Act.

The Companies Act, 2013 (the Act) is now largely in force. On September 12, 2013, the Ministry of Corporate Affairs ("MCA") had notified 98 Sections for implementation. Subsequently, on March 26, 2014, MCA notified most of the remaining Sections (barring those provisions which require sanction / confirmation of the National Company Law Tribunal ("Tribunal") such as variation of rights of holders of different classes of shares (Section 48), reduction of share capital (Section 66), compromises, arrangements and amalgamations (Chapter XV), prevention of oppression and mismanagement (Chapter XVI), revival and rehabilitation of sick companies (Chapter XIX), winding up (Chapter XX) and certain other provisions including, inter alia, relating to Investor Education and Protection Fund (Section 125) and valuation by registered valuers (Section 247). However, substantive sections of the Act which deal with the general working of companies stand notified. With the coming into force of the Act several regulations of the existing AoA of the Company require alteration or deletions in several articles. Given this position, it is considered expedient to wholly replace the existing AoA by a new set of Articles.

The new AoA to be substituted in place of the existing AoA are based on Table 'F' of the Act which sets out the model articles of association for a company limited by shares.

The proposed new AoA will be available for inspection at the Company's registered office during normal business hours on working days up to the date of the Annual General Meeting.

None of the Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the Notice.

The Board recommends the Special Resolution set out at Item No. 6 of the Notice for approval by the shareholders.

### **Re.: Item No. 7 to 9- Appointment of Shri L. K. Tibrawalla, Ms. Pratima Srivastava and Ms. Shabnam Agarwal as Independent Directors**

Shri L. K. Tibrawalla, Ms. Pratima Srivastava and Ms. Shabnam Agarwal hold office as Independent Directors since 20<sup>th</sup> June, 2005, 4<sup>th</sup> May, 2009 and 9<sup>th</sup> September, 2013, respectively.

In terms of Section 149 of the Act, the above named Directors being eligible for appointment are proposed to be appointed as Independent Directors for a term upto 31st March, 2019. In the opinion of the Board, the aforesaid Directors fulfill the conditions specified in the Act and rules made thereunder for their respective appointment as Independent Directors of the Company.

Mr. Lakshmikant Tibrawalla aged 71 years B.Com from renowned university has expertise in Commerce & Industry. He has been associated with many renowned companies in senior position.

Ms. Pratima Shrivastav aged 57 years, Science Graduate and Post Graduate in Economics, Trained in Business Management in Mumbai and studied Finance from New York University. She has more than 33 years' experience in the field of Finance to her credit at national as well as international level. She has been associated with many renowned companies in senior position.

Ms. Shabnam Agarwal aged 45 years, M.Sc Orthopedic Physiotherapy from University of Wales College of Medicine, Cardiff and Ph.D from Curtin University, Perth, She has been associated with many renowned companies and Institution in senior position.

Brief resume of Shri L. K. Tibrawalla, Smt Pratima Srivastava and Smt Shabnam Agarwal and names of companies in which they hold directorships and memberships/chairmanships of Board Committees and shareholding as stipulated under Clause 49 of Listing Agreement with the Stock Exchanges, are provided separately after this immediately after this Notice.

The Board considers that the above named Directors' continued association as Independent Directors would be of immense benefit to the Company.

Notices in writing under Section 160 of the Act have been received from members signifying intention proposing the candidature of the aforesaid Directors.

Copy of the draft letter for appointment of Shri L. K. Tibrawalla, Ms. Pratima Srivastava and Ms. Shabnam Agarwal as Independent Directors setting out the terms and conditions is available for inspection by members at the Registered Office of the Company.

This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

Save and except Shri L. K. Tibrawalla, Ms. Pratima Srivastava and Ms. Shabnam Agarwal and their relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item Nos. 7 to 9 of the Notice.

The Board recommends the resolutions at Items No. 7 to 9 for the approval by the shareholders of the Company.

#### **Re.: Item No. 10 – Re-appointment of Shri B. K. Nopany as Managing Director**

The Board of Directors of the Company (the 'Board'), at its meeting held on 30th June, 2014 had, subject to the approval of members, re-appointed Shri B. K. Nopany as Managing Director, for a period of 3 (Three) years w.e.f. 1<sup>st</sup> July, 2014, at the remuneration recommended by the Nomination and Remuneration Committee of the Board and approved by the Board.

It is proposed to seek approval of the the members for the re-appointment of and remuneration payable to Shri B. K. Nopany as Managiring Director, in terms of the applicable provisions of the Act.

Broad particulars of the terms of re-appointment of and remuneration payable to Shri Nopany are as under:

#### **A. SALARY**

Rs. 3, 50,000/- per month.

#### **B. COMMISSION**

2% of net profit calculated in the manner specified in the Act.

#### **C. HOUSE**

The Company shall provide free furnished accommodation and also pay all rents, rates, taxes, electricity, fuel charges, water charges and all other expenses for the upkeep and maintenance thereof. In case he or his spouse own a house and he choses to reside there, the Company shall pay all rents, rates, taxes, electricity, fuel charges, water charges and all other expenses for the upkeep and maintenance thereof.

#### **D. PERQUISITES**

Perquisites will be classified as follows:

##### **i) Contribution to Provident Fund, Superannuation and Annuity Fund**

The Company's contribution to Provident Fund and Superannuation or Annuity Fund as per rules of the Company.

**ii) Gratuity**

As per Rules of the Company.

**iii) Medical Reimbursement**

Reimbursement of actual medical expenses incurred in India and/or abroad and including hospitalization, nursing home and surgical charges for himself and family as per Company's Rules.

**iv) Club Fees**

Reimbursement of Membership fees for such clubs as may be considered appropriate.

**v) Entertainment, Travelling and other Expenses**

Reimbursement of entertainment, traveling and all other expenses incurred for the business of the Company.

**vi) Leave**

Leave with full pay including encashment of unavailed earned leave at the end of the tenure of the Managing Director as per Rules of the Company.

**vii) Leave Travel Concession**

For the Managing Director and his family once in a year in accordance with the Rules of the Company.

**viii) EXPLANATION**

Perquisites shall be evaluated as per the Income Tax Rules, 1962 wherever applicable and in the absence of any such Rule, perquisites shall be evaluated at cost.

**E. AMENITIES**

**i) Conveyance Facilities**

He will be provided with a car for use on Companies business. Provision of car for use on Company's business will not be considered as perquisites.

**ii) Mobile, Telephone, Telefax and other Communication facilities**

The Company shall provide mobile, Telephone, Telefax and other communication facilities at the Managing Directors' residence for the purpose of official use.

**F. OVERALL REMUNERATION**

The aggregate of salary in any Financial Year shall not exceed the limits prescribed from time to time under section 197 and other applicable provisions of the Companies Act, 2013 read with Schedule V of the said Act as may be in force from time to time.

**G. MINIMUM REMUNERATION**

In the event of loss or inadequacy of profits in any Financial Year during the currency of tenure of service of the Managing Director, the above mentioned remuneration, excluding commission, shall be paid as minimum remuneration to Shri B. K. Nopany as Managing Director of the Company, subject, however, to the provisions contained and limits prescribed in Schedule V of Companies Act, 2013 including any Statutory modification or re-enactment hereof as may for the time being in force.

**H. FUNCTIONS AND DUTIES**

Shri Nopany will perform such duties and functions as would commensurate with his position as Managing Director of the Company and as delegated by the Board from time to time;

Shri Nopany satisfies all the conditions set out in Part-I of Schedule V to the Act as also conditions set out under sub-section (3) of Section 196 of the Act for being eligible for his re-appointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Act.

## Disclosures pursuant to Section II of Part II of Schedule V of the Companies Act, 2013:

### I. GENERAL INFORMATION

#### 1. Nature of Industry

The Company's main business is manufacturing and selling of crystal white sugar, construction activities and also trading of stores items used by mainly Sugar Industry.

Sugar industry can be broadly classified in to two sub sectors, the organized sector i.e. sugar factories and the unorganized sector i.e. manufacturers of traditional sweeteners like gur and khandsari. The latter is considered to be a rural industry and enjoys much greater freedom than sugar mills.

The production of traditional sweeteners gur and khandsari is quite substantial. Though the trends indicate a progressive shift from traditional sweeteners to white sugar over the years, they still account for about 37% of total sweetener consumption in India.

Since the sugar industry in the country uses only sugarcane as an input, sugar companies have been established in large cane growing states like Uttar Pradesh, Maharashtra, Tamil Nadu, Karnataka, Punjab and Gujarat.

India is the largest consumer and second largest producer of sugar in the world (Source: USDA Foreign Agricultural Service). The Indian sugar industry is the second largest agro-industry located in the rural India.

Further, the Indian construction industry is an integral part of the Indian economy and an important portion of investments into the development of the Indian Economy takes place through the construction industry. The construction industry is expected to grow with further economic development, industrialization, urbanization and improvements in the standard of living.

According to Indian Infrastructure, the Indian construction industry accounts for more than 5% of India's GDP and is the second largest employer after agriculture, employing nearly 32 million people. In the course of liberalization of the Indian economy, the Government has placed a priority on infrastructure development and emphasized the involvement of private capital and management in order to respond to the growing demand for new infrastructure projects.

#### 2. Date or expected date of commencement of commercial production

After completion of a part of up-gradation programme, the Company recently, i.e., in the last season 2011-12, commenced production of sugar at its Sugar Mill at Motihari, Bihar. The Company expects to complete the up-gradation programme by forthcoming season 2016-17 and further expansion of the said Mill to 4000 TCD with setting of 25 MW captive power plant and commence production there against by the subsequent season, i.e., Season 2017-18.

The Company has not undertaken any major construction project. It has plans to expand its construction activities by undertaking large housing projects comprising economy as well as luxurious residential houses. Presently, it has very small construction activities which include purchase and sell of construction rights.

#### 3. Financial performance based on given indicators during the financial year ended June 30, 2014

	<u>Rs. in Lakhs</u>
Profit before Interest, Depreciation and Tax	813.98
Profit before Tax	220.40
Profit after Tax	217.84
EPS (Rs.)	1.18
P/E Ratio	N. A.
Total Assets	17106.05
Dividend Proposed (%)	2%



#### **4. Export performance and net foreign exchange collaborations**

Not Applicable

#### **5. Foreign Investments or collaborators, if any**

Not Applicable

### **II. INFORMATION ABOUT SHRI B. K. NOPANY, THE MANAGING DIRECTOR**

#### **1. Background details**

As given in the Explanatory Statement under Item No. 10 of the accompanying notice.

#### **2. Past Remuneration**

The details of the past remuneration package, as approved by the shareholders of the Company at their meeting held on 10<sup>th</sup> June, 2011 for the period from 1.7.2011 to 30.6.2014, is same as proposed for his reappointment and as mentioned in the explanatory statement to the Item No. 10 of the accompanying notice.

#### **3. Recognition or awards**

Not Applicable

#### **4. Job profile and his suitability**

The Managing Director (MD) is responsible for overall operations and profitability of the Company. He is expected to help achieve the organization's short-term and long-term targets.

Shri B.K.Nopany, having been of 72, has more than 48 years' experience in diverse fields like sugar, real estate development, and investment apart from experience of handling matters of schools of repute. He has been steering the finances of the Company in such difficult times.

He will be responsible for ensuring profitable growth of the Company with adequate control on costs, investments in current and fixed assets and maintaining overall financial discipline throughout the organization.

The MD is also expected to ensure that stakeholder interests are met with leading to a balanced and sustainable growth for the Company.

Shri Nopany has the requisite experience and attributes to meet the above requirements.

#### **5. Remuneration proposed**

As detailed in the Special Resolution under Item No. 10 of the accompanying notice.

#### **6. Comparative remuneration profile with respect to industry & size of the Company, profile of the Company, profile of the position and person**

Information about remuneration of Managing Director of Sugar and Construction companies of comparable size and business profile is not available in public domain. The remuneration of the Managing Director is commensurate with his experience; growth plans of the Company and challenges confronting the sugar and construction sectors in general and the Company in particular.

##### **Profile of the Position**

As set out above.

##### **Profile of the person**

As detailed in the explanatory statement to Item No. 10 of the accompanying notice.

## **7. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any**

Apart from holding equity shares of the Company and also the offices of Director and Managing Director of the Company, Shri Nopany has no pecuniary relationship with the Company as well as other Managerial personnel.

### **III. OTHER INFORMATION**

#### **1. Reasons of loss or inadequate profits**

Presently, the company has no major activities other than trading in stores items required by sugar industry and construction rights apart from small construction activities. Although, the Company has since commenced sugar manufacturing at its Sugar Mill at Motihari, Bihar, the Company is at the beginning stage of streamlining and expanding the manufacturing activities at its sugar mill at Motihari, Bihar.

#### **2. Steps taken or proposed to be taken for improvement**

The Company has already undertaken effective steps for streamlining and expanding the manufacturing activities at its sugar mill at Motihari, Bihar. Further, its has also plans to increase its construction activities by undertaking large residential projects. It also proposes to set-up 25MW captive power plant at the said Mill. It has also plans to set small steel plant.

Your Board of Directors is confident that the above mentioned steps will improve company's profitability in coming years.

#### **3. Expected increase in productivity and profits in measurable terms**

Looking into the uncertainty which prevails in the Sugar as well as Construction sectors, the increase in productivity and profits for the future years in measurable terms can not be estimated with a sufficient degree of assurance.

The above may be treated as a written memorandum setting out the terms of re-appointment of Shri B.K. Nopany under Section 190 of the Act.

Brief resume of Shri B. K. Nopany and names of companies in which he holds directorships and memberships/chairmanships of Board Committees and shareholding as stipulated under Clause 49 of Listing Agreement with the Stock Exchanges, are provided separately after this immediately after this Notice.

The agreement entered into with Shri Nopany will be available for inspection at the Company's registered office during normal business hours on working days up to the date of the Annual General Meeting.

Shri Nopany is interested in the resolution set out respectively at Item Nos. 10 of the Notice.

The relatives of Shri Nopany may be deemed to be interested in the resolutions set out respectively at Item No. 10 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board recommends the Special Resolution set out at Item Nos. 10 of the Notice for approval by the shareholders.

#### **Re.: Item No. 11 - Approval of Related Party Transactions**

The Company makes arrangements or enters into transactions with Related Parties as defined under the provisions of the Companies Act, 2013 read with Clause 49 of the Listing Agreement, as amended from time to time, for sale or dispose of property rights, borrowings, lending and sale or dispose of

property rights. Considering the aggregate value of transactions between the Company and the related parties approval of the Members of the Company is required by Special Resolution under the said provisions.

The particulars of such contract/arrangement are as under:

Name of Related Party	Name of director or key managerial personnel who is related and Nature of relationship	Nature, Material Terms and Particulars of the Contract or Arrangement	Maximum value of Transactions during each Financial Year 2014-15 and 2015-16 (Rs. In lacs)
Nopany & Sons Pvt Ltd	Shri B. K. Nopany, Director	Sale of Property or Property Rights Borrowings at interest rate not exceeding 18% and repayable on demand	1000.00 500.00
Eastern Sugar & Industries Ltd	Shri B. K. Nopany, Managing Director and holding 1.76% Equity Shares	Purchase/Sale of Property or Property Rights Borrowings at interest rate not exceeding 18% and repayable on demand purchase of Plant & Machinery	1000.00 500.00 2000.00
Nopany Investments Pvt Ltd	Shri B. K. Nopany, Director	Sale of Property or Property Rights Borrowings at interest rate not exceeding 18% and repayable on demand	1000.00 500.00
Shruti Ltd	Shri B. K. Nopany, Director and holding 4.63% Equity Shares	Sale of Property or Property Rights Lending or Borrowings at interest rate not exceeding 18% and repayable on demand	1000.00 500.00
Bimal Kumar Nopany	Director	Borrowings at interest rate not exceeding 18% and repayable on demand	500.00

By Order of the Board

For **SHREE HANUMAN SUGAR & INDUSTRIES LTD**

**B. K. Nopany**

Managing Director

Registered Office:

Chandra Kunj, 4<sup>th</sup> Floor

3, Pretoria Street, Kolkata - 700071

14th July, 2015

CIN: U15432WB1932PLC007276

E-mail: info@hanumansugar.com

Details of Directors seeking appointment/re-appointment at the Annual General Meeting

Particulars	B. K. Nopany	Shri L. K. Tibrawalla	Shri R. K. More	Ms. Pratima Srivastava	Ms. Shabam Agarwal
<b>Date of Birth</b>	26/04/1943	03/08/1943	15/08/1944	02/10/1956	09/07/1969
<b>Date of Appointment</b>	01/07/2006	20/06/2005	18/05/1998	04/05/2009	09/09/2013
<b>Qualifications</b>	B.Com	B.Com.	M.Com & L.L.B.	Post Graduate in Economics, Business Management and Studied Finance at New York University	M.Sc. Orthopedic Physiotherapy, PHD from Curtin University, Perth
<b>Expertise in specific functional areas</b>	Shri B. K. Nopany has more than 44 years experience in Business, spreading over Sugar, Real Estate Development, Investment etc. He is Chairman of the board of a Leading Academic Institution in Kolkata and is on the Board of Governors of another leading institution (public school) of Ranchi.	Commerce & Industry	Commercial, Finance & Legal	In the field of finance with publicity & sales	Administration
<b>Directorships held in other companies</b> (excluding foreign companies)	1. Hanuman Industries India Pvt. Ltd. 2. Daulatram Rawatmull Pvt. Ltd. 3. Shruti Ltd. 4. Indo Austro Corporation Pvt. Ltd. 5. Shruti Spinniner Ltd. 6. Nopany Investment Pvt. Ltd.	1. Shree Milk & Food Ind. Ltd. 2. Gunpa Troy Pvt. Ltd. 3. Pure Coke Ltd. 4. Rock Fort Pvt. Ltd. 5. Chengmari Tea Co. Ltd. 6. Mica Pvt. Ltd. 7. Sanskriti Holdings Pvt. Ltd. 8. Shree Shyam Coal Co. Ltd. 9. International	1. Shree Milk & Food Industries Ltd. 2. Shruti Spinners Ltd. 3. Ginni Securities Ltd. 4. Ginni Investment & Services Ltd. 5. Ajanta Commercial & Trading Co. P. L. 6. CFM Developers Ltd.	1. Jiwani Finvest 2. OPS Solution Pvt. Ltd. 3. Vishvam Exports Ltd. 4. Champa-ran Agri Park Pvt. Ltd.	Super Scans & System Pvt. Ltd.



Particulars	B. K. Nopany	Shri L. K. Tibrawalla	Shri R. K. More	Ms. Pratima Srivastava	Ms. Shabam Agarwal
	7. Nopany & Sons Pvt. Ltd. 8. Super Scars & System Pvt. Ltd. 9. Shree Milk & Food Industries Ltd. 10. Eastern Sugar & Industries Ltd. 11. Champaran Agri Park Pvt. Ltd.	Belting Ltd. 10. International Conveyors Ltd. 11. Zenox Trdg. & Mfg. Pvt. Ltd. 12. Goel Fin-trade Pvt. Ltd. 13. Kedco Processors Pvt. Ltd.	7. Reform Flour Mills Pvt. Ltd. 8. Vishnu Sugar Mills Ltd. 9. Mudit Investment & Trading Co. Ltd. 10. Mahalakshmi Knitfab Pvt. Ltd. 11. Shruti Ltd. 12. Multitech Electronics Ltd. 13. Ginni Flour Food Ltd.		
<b>Memberships/ Chairmanships of committees of other companies</b> (includes only Audit Committee and Shareholders/ Investors Grievance Committee)	NIL	NIL	BIL	BIL	BIL
<b>Number of shares held in the Company</b>	2036187	NIL	NIL	25,000 Eq. Shares	130,000 Eq. Shares

## **ANNEXURE TO NOTICE**

### **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

#### **Item Nos. 6: Appointment of Ms. Shabnam Agarwal as Director**

Ms. Shabnam Agarwal was co-opted as an Additional Director in the Board Meeting held on 09.09.2013 and holds office upto the date of Annual General Meeting. The Company has received a notice in writing under section 160 of the Companies Act, 2013 from a member alongwith requisite deposit, signifying his intention to propose the name of Mr. Sinha as a candidate for the office of Director of the Company. Mr. Sinha aged about 70 years has approx 41 years' experience to his credit. The Board considers it desirable that the Company should continue to avail services of Mr. Sinha as a Director of the Company and accordingly recommends this resolution for your approval.

None of the Director except Ms. Shabnam Agarwal is concerned or interested in the said resolution.

Place : Kolkata

Date : 14th July, 2015

By order of the Board

SHREE HANUMAN SUGAR & INDUSTRIES LIMITED

**(B. K. NOPANY)**

**Managing Director**

---

### **INVITATION TO PARTICIPATE IN GREEN INITIATIVE LAUNCHED BY THE MINISTRY OF CORPORATE AFFAIRS**

The Ministry of Corporate Affairs (MCA) has permitted compliances by the Companies, vide its circulars No.17/2011 and No.18/2011 dated April 21, 2011 and April 29, 2011 respectively. MCA has clarified that services of documents on Members by e-mail will constitute sufficient compliances with Section 53 of the Companies Act, 1956, provided the Members are given an advance opportunity to register their e-mail address or changes, if any, therein with the company.

Pursuant thereto, we once again invite those members who have not registered their e-mail address to participate in the Green Initiative by registering their e-mail address for the purpose of service of documents viz., Annual Report, Notice of General Meetings, Notice of Postal Ballot, Intimation of ECS Credits etc.. by e-mails.

Shareholders holding shares in Demat form, who have not yet registered their e-mail address are requested to register the same with their respective Depository Participant at the earliest. Shareholders who hold shares in physical form are also requested to register their e-mail address with our registrar & Share Transfer Agent — M/s. Maheswari Datamatics Pvt. Ltd., E-mail ID: [mdpl@cal.vsnl.net.in](mailto:mdpl@cal.vsnl.net.in) Such registration as per the address mentioned above or at the E-mail ID: [info@hanumansugar.com](mailto:info@hanumansugar.com) any changes in the E-mail address may also be communicated from time to time.

## **DIRECTORS' REPORT TO THE MEMBERS**

Dear Shareholders,

Your Directors have pleasure in presenting their 84<sup>th</sup> Annual Report along with the Audited Accounts of the Company for the financial year ended 30th June, 2014:

### **FINANCIAL RESULTS**

	<b>(Rs. in Lacs)</b>	
	<b>2013-14</b>	<b>2012-13</b>
Sales & Other Income	1932.30	2804.61
Profit before Interest, Depreciation and Tax	813.98	907.48
Less Interest	29.45	9.97
Depreciation	<u>564.13</u>	<u>555.93</u>
Profit/(Loss) before tax	220.40	341.59
Less: Provisions for Tax	<u>2.56</u>	<u>3.15</u>
Profit/(Loss) after tax	217.84	338.44
Add/Less: Balance brought forward from previous year	<u>497.38</u>	<u>435.36</u>
Profit available for appropriation	<u>715.22</u>	<u>773.80</u>

### **APPROPRIATIONS:**

Dividend (including Tax)	44.40	64.94
Transfer to General Reserve	—	—
Transfer to Special Reserve	<u>300.00</u>	<u>211.48</u>
Balance carried to Balance Sheet	<u>370.82</u>	<u>497.38</u>

### **PERFORMANCE:**

Total Income, during the year under review, stood at Rs. 1932.30 lacs as against Rs. 2804.61 lacs in the previous financial year 2012-13. Profit before Interest, Depreciation and Tax stood at 42.12%, showing a marginal increase from 32.36%. Profit after Tax amounting to Rs. 233.89 lacs stood at 12.10%, compared to 12.07%, in the previous financial year.

During the year under review Company's Sugar Mill at Motihari, Bihar, remained inoperative due to technical problems. The management of your Company has been taking its best efforts for correcting technical problems to ensure resumption of the production activities.

### **DIVIDEND:**

Your directors are pleased to recommend a dividend @ 2% for the financial year 2013-14 i.e., Re. 0.20 per equity share of Rs. 10/- each, for your approval. The Proposed dividend, if approved at the ensuing Annual General Meeting, would result in appropriation of Rs. 44.57 lacs (including Corporate Dividend Tax of Rs. 7.57 lacs) out of the profits.

### **FUTURE PROGRAMMES:**

After resumption of production activities at the Company's Sugar Mill at Motihari, Bihar, your management looks forward for expansion in the existing capacity together with its up-gradation to ensure increased level of production with thrust on increase in productivity and also production of quality sugar.

Looking into the infrastructure facilities available at the Motihari Mill, your directors are confident that by spending a nominal capital expenditure the benefits of expanded level of production may be availed.

Initially, the implementation of the expansion programme increasing the capacity of the said Sugar Mill to 4000 TCD together with setting-up of 25 MW captive power plant is proposed to be undertaken upon availability of the desired funds.

Therefore, continuous efforts are being put to raise funds for the said requirements.

Your directors are confident that these steps will improve performance of the Company significantly in the coming years.

#### **PRESENT CONSTRUCTION ACTIVITIES AND FUTURE PROGRAMMES:**

During the year under review, sale of construction rights stood at Rs. 1308.87 lacs compared to Rs. 1367.85 lacs during the previous financial year 2012-13.

The Company has not undertaken any major construction project. Presently, it has very small construction activities which mainly include purchase and sell of construction rights. However, it has plans to expand its construction activities by undertaking large housing projects comprising economy as well as luxurious residential houses.

#### **DIRECTORS:**

Mr. R. K. More (DIN: 00119618) and Mr. L. K. Tibrawalla (DIN: 00423521) retire by rotation at the conclusion of ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

The term of Mr. B. K. Nopany as Managing Director of the Company expired on 30<sup>th</sup> June, 2014. The Board, considering his experience and the valued services he rendered during his tenure as such, re-appointed him as Managing Director of the Company w.e.f. 1<sup>st</sup> July, 2014, pursuant to provisions of the Companies Act, 2013 and all other applicable provisions and also subject to approval of the Members of the Company.

Mr. L. K. Tibrawalla (DIN: 00423521), Ms. Pratima Srivastava and Ms. Shabnam Agarwal are proposed to be appointed as Independent Directors in accordance with the provisions of Sections 149 and 152 of the Act read with the rules made thereunder and the Clause 49 of Listing Agreement with the Stock Exchanges concerned.

Brief resume of the Directors proposed to be re-appointed, as stipulated under clause 49 of the Listing Agreements with the Stock Exchanges are provided in the Notice forming part of this Annual Report.

#### **AUDITORS:**

The Auditors of the company M/s Agarwal Gupta Nokari & Rustagi Associates, Chartered Accountants, hold office until the conclusion of the ensuing Annual General Meeting and are recommended for re-appointment. Certificate from Auditors has been received to the effect that their appointment, if made, would be within the limit prescribed under the provisions of the Companies Act, 2013 and relevant Rules there under.

Notes forming part of accounts, which are specifically referred to by the Auditors in their report, are self explanatory and, therefore, do not call for any further comments.

#### **FIXED DEPOSITS:**

During the year under review, the Company has not accepted public deposits under section 58-A of the Companies Act, 1956, or the Companies Act, 2013.

#### **DE-MATERIALISATION OF SHARES:**



The Company's equity shares are available for de-materialization on both the depositories, viz., NSDL & CDSL. Shareholders may be aware that SEBI has made trading in your Company's shares mandatory, in de-materialized form. As on 30<sup>th</sup> June, 2014, 16218409 equity shares representing 87.67% of your Company's Equity Share Capital have been de-materialised

#### **LISTING AT STOCK EXCHANGE:**

With effect from 12/03/2014, Equity Shares of the Company were listed at BSE Ltd also. under the Direct Listing Scheme. Presently, the Shares of the Company are listed on The Calcutta Stock Exchange Ltd, Kolkata and the BSE Ltd, Mumbai.

#### **STATUTORY INFORMATION:**

- In view of no employee of the Company having drawn remuneration as prescribed in section 217(2A) of the Companies Act, 1956 or in the rules made pursuant to the same, during the Financial Year under review, particulars of the employees pursuant to the said provisions are not required to be given.
- The information pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required under section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 is given as per 'Annexure A' and forms part of the Directors' Report.
- Certificate received from the Auditors of the Company regarding Compliance of conditions of Corporate Governance, as required under clause 49 (VII) of the Listing Agreement, is annexed and forms part of this report.
- As required under 49 IV (F) of the Listing Agreement, Management Discussion and Analysis Report is annexed and forms part of this report.

#### **DIRECTOR'S RESPONSIBILITY STATEMENT**

Pursuant to provisions of section 217 (2AA) of the Companies Act, 1956, your Directors confirm that:

- i. In the preparation of the Annual Accounts for the year ended 30<sup>th</sup> June, 2014, the applicable accounting standards had been followed, along with proper explanation relating to material departures;
- ii. The Directors have selected such accounting policies and 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 at the end of the financials year and the loss of the company for the year under review;
- iii. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing, and detecting fraud and other irregularities; and
- iv. The Directors have prepared the annual accounts on a going concern basis.

#### **EMPLOYEE RELATIONS:**

During the year under review, the relations between the Management and the workmen were cordial, except witness of recent agitation. The management of the Company in confident to solve the problem soon.

#### **INVESTOR RELATIONS:**

Your Company always endeavors to keep the time of response to Shareholders' requests/grievance at the minimum. Priority is accorded to address all the issues raised by the Shareholders and provide them

a satisfactory reply at the earliest possible time. The Shareholders' Grievance Committee of the Board meets periodically and reviews the status of the redressal of Shareholders' Grievances. The Shares of the Company continue to be traded in Electronic Form and the De-materialization arrangement exists with both the depositories, viz., National Securities Depository Limited and Central Depository Services (India) Limited.

**ACKNOWLEDGEMENT:**

Your Directors wish to place on record the sincere and dedicated efforts of all the members of the Company's team which has throughout the year remained active. Your Directors also take this opportunity to offer their sincere thanks to Financial Institutions, Banks, other Government Agencies, our valued customers and the investors for their continued support and assistance. The employees of your Company continued to display their unstinted devotion, co-operation. Your Directors take this opportunity to record their appreciation for the same. Your Directors also express their profound thanks to the Shareholders for their faith and continued support to the endeavors of the Company.

Place : Kolkata

Date : 14th July, 2015

For & on behalf of the Board  
SHREE HANUMAN SUGAR & INDUSTRIES LIMITED  
**(B. K. NOPANY)**  
**Managing Director**

## ANNEXURE - A

### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE

Information as required under section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the report of the Board of Directors) Rules, 1988 is given hereunder:

#### A. CONSERVATION OF ENERGY

The Company took all necessary measures for conservation of energy by way of undertaking awareness programme and regular training of its workers and employees. Necessary balancing equipments leading to energy conservation are also installed, as and when it is felt necessary. Since efforts put for energy conservation are regular in nature, no separate investment proposal is identifiable.

#### FORM A

##### Particular with respect to Conservation of Energy:

	2013-2014	2012-2013
<b>A. POWER &amp; FUEL CONSUMPTION</b>		
<b>1. Electricity</b>		
<b>a. Purchased</b>		
- Units	Nil	Nil
- Total Amount	Nil	Nil
- Rate/Unit (Rs.)	Nil	Nil
<b>b. Own Generation</b>		
<b>i) Through Diesel Generator</b>		
- Unit	Nil	195189
- Units/Litre of Diesel-oil	Nil	3.90
- Cost/Unit (Rs.)	Nil	13.59
<b>ii) Through steam turbine/generator</b>		
- Unit	Nil	260610
- Units/Litre of fuel oil/gas	Not ascertainable as the bagasse which is by-product of the company is being used as fuel.	
- Cost/unit		
<b>2. Coal (specify quality and where used)</b>		
Quantity (tonnes)	N.A.	N.A.
Total cost		
Average cost/tonne		
<b>3. Furnace oil</b>	N.A.	N.A.
Quantity (k ltrs.)		
Total amount		
Average rate		

**A. CONSUMPTION PER UNIT OF PRODUCTION**

Standards (if any)	2013-2014	2012-2013
Sugar (in Qtls.)	Nil	25956
Electricity	Nil	17.56
Furnace oil	N.A.	N.A.
Coal (specify quality)	N.A.	N.A.

**B. Technology absorption and research and development****FORM B****Particulars with respect of absorption****(1) Research and Development:**

- Continuous in-house research for development of value-added products.
- Following on-going process for improving productivity.

Since the Company undertakes in-house research in the process of regular production activities itself, the expenditure on Research & Development is not identifiable.

**(2) Technology absorption, adaption and innovation:****(a) Efforts in brief made towards technology absorption, adaption and innovation:**

- Constant monitoring of process and technology upgradation taking place in advance countries and to offer similar products through in-house R & D as well as through progressive manufacturing activities. The company is in the process of further improving its quality control methods and testing facilities.
- Regular interaction with equipment designers and manufacturers and major raw material suppliers for improvements to processing and operating parameters.

**(b) Benefits derived as a result of above efforts.**

- better product quality leading to higher realizations.

**C. Foreign Exchange Earning and Outgo**

(a) Continuous interaction with foreign agencies, agents and prospective buyers along with regular research through internet for availing an opportunity to export is undertaken. In this process, on the basis of research and interaction with foreign buyers/agencies/agents attempts are made through in-house research to develop products of foreign standard and global needs. The management is very hopeful to enter the foreign market soon.

(b) Information in respect of Foreign Exchange Earning and Outgo is: (Rs. in lacs)

	<u>Current Year</u>	<u>Previous Year</u>
Earning:	Nil	Nil
Outgoing:	Nil	Nil

## **CORPORATE GOVERNANCE REPORT**

### **I. COMPANY'S PHYLOSOPHY ON CORPORATE GOVERNANCE**

The Company considers Corporate Governance as an important tool for achieving all round excellence with ultimate objective of enhancing shareholders' value. The Company took initiative in practicing good Corporate Governance procedures, even before they were made mandatory.

It is firmly believed that Corporate Governance begins with Company's continuous review of its internal procedures and practices encompassing all its business areas in the most appropriate manner, which would spell fairness, transparency and accountability.

### **II. BOARD OF DIRECTORS**

The Business of the Company is managed by the Board of Directors. The functions of the Board include formulation of strategic business plans, budgets, setting up goals and evaluation of performance, approving corporate philosophy and mission, monitoring corporate performance against strategic business plans, overseeing operations, recruitment of senior management personnel, review of material investment and fixed assets transactions, ensuring compliance with laws and regulations, keeping shareholders informed regarding plans, strategies and performance of the Company and other important matters.

The Board formulates the strategy, regularly reviews the performance of the Company and ensures that the previously agreed objectives are met on a consistent basis. Directors along with a team of professionals manage the day-to-day operations of the Company. Many of eminent professionals are drawn from amongst persons with experience in business, industry and finance. The Board of Directors has the ideal composition with more than half the Directors being non-executive Directors.

#### **A. Composition of Board**

The constitution of the Board as on June 30, 2014:

<b>Executive Chairman Mr. B. K. Nopany, Managing Director</b>		
<b>Promoter Director</b>	<b>Executive Director</b>	<b>Non-Executive Director and Independent Director</b>
Mr. B. K. Nopany [DIN: 00694221]	Mr. R. K. More [DIN: 00119618]	Mr. L. K. Tibrawalla [DIN: 00423521] Ms. Pratima Srivastava [DIN: 01192980] Mr. A. K. Sinha [DIN: 02806663]* Ms. Shabnam Agarwal [DIN: 02428022]

\* Since resigned on 05/03/2015.

#### **B. Pecuniary Relationship**

There is no pecuniary relationship or transaction of the non-executive Directors vis-à-vis the Company.

#### **C. Attendance records of Board Meetings**

During the year under review, Eight (8) Board meetings were held on 22/08/2013, 04/09/2013, 09/09/2013, 17/10/2013, 31/10/2013, 11/02/2014, 29/04/2014 and 30/06/2014. The Board members are given appropriate documents and information in advance of each Board meeting.



The attendance record of all the Directors on the Board is as under:-

Director	No. of Board meetings attended	Attendance at last AGM
Mr. B. K. Nopany	8	Yes
Mr. R. K. More	7	Yes
Mr. L. K. Tibrawalla	6	Yes
Ms. Pratima Srivastava	4	Yes
Mr. A. K. Sinha	3	Yes
Ms. Shabnam Agarwal	6	Yes

**D. Directors of the Company having directorship in other Companies, Membership/ Chairmanship in Committees (as prescribed under Corporate Governance) across all Companies in which there are directors as on 30.06.2014:**

Name of Director	Category of Directorship	No. of other Directorships held in Other Public Companies*	No of membership in other Companies Committees**	
			Member	Chairman
Mr. B. K. Nopany	Promoter & Managing Director	5	4	2
Mr. R. K. More	Non-independent & Executive Director	N.A.	NIL	NIL
Mr. L. K. Tibrawalla	Independent & Non-executive	N.A.	NIL	NIL
Ms. Pratima Srivastava	Independent & Non-executive	N.A.	NIL	NIL
Mr. A. K. Sinha	Independent & Non-executive	N.A.	NIL	NIL
Ms. Shabnam Agarwal	Independent & Non-executive	N.A.	NIL	NIL

\* This excludes directorship held on Private Companies, Foreign Companies and Companies formed under section 25 of the Companies Act, 1956

\*\* The Memberships of Board Committees include Audit and Shareholders/Investors Grievance Committees only.

### III. BOARD PROCEDURES

The members of the Board have been provided with the requisite information as per the listing agreement well before the Board Meeting and the same was dealt with appropriately.

All the Directors who are in various committees are within the permissible limit of the listing agreement and none of the Directors are disqualified for appointment as director under any of the provisions of the Companies Act, 1956.

#### IV. AUDIT COMMITTEE

During the year under review, the Audit Committee comprised of Mr. A. K. Sinha as Chairman and Mr. B. K. Nopany and Mr. L. K. Tibrewalla as its members. Mr. R. K. Didwania, Company Secretary acted as the Secretary to the Committee. The Audit Committee at its meetings exercised the role and duties, which had been defined by the Board of Directors pursuant to provisions of the Companies Act read with Clause 49 of the Listing Agreement.

After Mr. A. K. Sinha resigned on 05/03/2015, Audit Committee has been reconstituted comprising of Ms. Shabnam Agarwal as Chairman and Mr. B. K. Nopany and Mr. L. K. Tibrawalla as members.

Terms of Reference of Audit Committee are broadly as follows:

- The Audit Committee is responsible for:
- Overseeing the Company's financial reporting process and disclosure of its financial information;
- Recommending the appointment of the Statutory Auditors and fixation of their remuneration;
- Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors;
- Reviewing and discussing with the Statutory Auditors and the Internal Auditor about internal control systems;
- Reviewing the adequacy and independence of the Internal Audit Function and observations of the Internal Auditor;
- Reviewing major accounting policies and practices and adoption of applicable Accounting Standards;
- Reviewing major accounting entries involving exercise of judgment by the Management;
- Disclosure of Contingent Liabilities;
- Reviewing, if necessary, the findings of any internal investigations by the Internal Auditors and reporting the matter to the Board;
- Reviewing the risk management mechanisms of the Company;
- Reviewing compliance with Listing Agreement and various other legal requirements concerning financial statements and related party disclosure;
- Reviewing the Quarterly and Half-yearly financial results and the Annual financial statements before they are submitted to the Board with particular reference to:
  - Matters required to be included in the Directors Responsibility Statement to be included in the Board of Directors report in terms of Clause (2AA) of Section 217 of the Companies Act, 1956;
  - Changes, if any, in accounting policies and practices and reasons for the same;
  - Major accounting entries involving estimates based on the exercise of judgment of management;
  - Significant adjustments made in the financial statements arising out of audit findings;
  - Disclosure of any related party transactions;
  - Qualifications in the draft audit report;
- Reviewing the operations, new initiatives, and performance of the business divisions;
- Looking into the reasons for substantial defaults in payments to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors, if any;
- Carrying out such other functions as may be specifically referred to the Committee by the Company's Board of Directors

During the year under review, the Committee met 4 times on 14/11/13, 11/02/14, 29/04/14 and 22/08/14. Attendance of members at the meetings were as follows:

Name of Member	Status	No. of meetings attended
Mr. A. K. Sinha	Chairman	3
Ms. Shabnam Agarwal	Chairman	1
Mr. B. K. Nopany	Member	4
Mr. L. K. Tibrawalla	Member	4

## V. REMUNERATION COMMITTEE

During the year under review, the Remuneration Committee comprised of three members, viz., Mr. L.K. Tibrawalla, Ms. Pratima Srivastava and Mr. A.K. Sinha. L.K. Tibrawalla is the Chairman of the said Committee. All the members of the Remuneration Committee are independent and non executives. The Committee had been constituted to review and approve the annual salaries, commission, service agreement and other employment conditions for the executive directors.

The remuneration policy is directed towards rewarding performance, based on review of achievements on a periodical basis. The remuneration policy is in consonance with the existing industry practice. During the year under review, the Committee had no meeting.

Pursuant to revised Clause 49 of Listing Agreement and the provisions of the Companies Act, 2013, the Committee discharges the functions of Remuneration & Nomination Committee stipulated thereby and as such Nomination Committee has been merged into it and the Committee has been renamed Remuneration & Nomination Committee by the Board of Directors at its meeting held on April 29, 2014.

After Mr. A. K. Sinha resigned on 05/03/2015, the remuneration committee has been reconstituted comprising of Mr. L. K. Tibrawalla as Chairman and Mr. B. K. Nopany and Ms. Pratima Srivastava as members.

### A. Details of the remuneration to the Executive Director provided as per accounts for the year ended 30<sup>th</sup> June, 2014 are given below:

Executive Director	Salary* (Rs.)	Commission (Rs.)	Service Contract
Mr. B. K. Nopany	3,50,000 p.m.	NIL	Re-appointed for 3 years w.e.f. 1 <sup>st</sup> July, 2014

\* Salary includes basic salary, perquisites and allowances, contribution to provident fund etc.

### B. Details of the remuneration to the Non-executive Directors provided as per accounts for the year ended 30<sup>th</sup> June, 2014 are given below:

Non-executive Director	Sitting Fee (Rs.)	Commission (Rs.)	Total (Rs.)
Mr. L. K. Tibrawalla	Nil	NIL	NIL
Mr. Pratima Srivastava	Nil	NIL	NIL
Ms. Ashok Kumar Sinha	Nil	NIL	NIL
Mr. Shabnam Agarwal	Nil	NIL	NIL

## **VI. GENERAL ADMINISTRATION COMMITTEE**

The General Administration Committee comprised of four members, viz., Mr. B.K. Nopany, Mr. L.K. Tibrawalla, Ms. Pratima Srivastava and Mr. A.K. Sinha. Mr. B.K. Nopany is the Chairman of the said Committee. All the members of the General Administration Committee are independent and non executives.

After Mr. A. K. Sinha resigned on 05/03/2015, General Administration Committee has been reconstituted comprising of Mr. B. K. Nopany as Chairman and Mr. L. K. Tibrawalla and Ms. Pratima Srivastava as members.

The Committee has been formed for the purpose of dealing with general administrative functions of the company, including its units and branches.

During the year under review, the Committee had no meeting.

## **VII. SHARE TRANSFER & SHAREHOLDERS' GRIEVANCE COMMITTEE**

The Share Transfer & Shareholders' Grievance Committee comprised of three directors under the chairmanship of Mr. A.K. Sinha. The other members in the committee being, Mr. B.K. Nopany and Mr. L.K. Tibrawalla.

The committee has been constituted to specifically look into redressal of shareholders' grievances such as transfer, dividend, de-materialization related matters. The Committee has also been delegated the power to approve transfer/transmission of shares, issue of new or duplicate certificates, sub-division of shares, split of share, review of dematerialization of shares and all matters related to shares.

During the year under review, the Committee met 33 times on 24/07/13, 20/08/13, 16/09/13, 15/10/14, 20/11/14, 16/12/13, 10/01/14, 08/02/14, 10/02/14, 06/03/14, 11/03/14, 12/03/14, 13/03/14, 14/03/14, 15/03/14, 18/03/14, 19/03/14, 26/03/14, 11/04/14, 14/04/14, 22/04/14, 29/04/14, 10/05/14, 13/05/14, 14/05/14, 21/05/14, 23/05/14, 28/05/14, 09/06/14, 11/06/14, 13/06/14, 19/06/14 and 25/06/14.

Total number of letters and complaints received and replied to the satisfaction of shareholders during the year under review was Nil. As on 30th June 2014, there are Nil complaints pending with the Company.

Pursuant to revised Clause 49 of Listing Agreement and the provisions of the Companies Act, 2013, the Committee discharges the functions of Stakeholders' Relationship Committee stipulated thereby and as such Share Transfer & Shareholders' Grievance Committee has been merged into it and the Committee has been renamed Stakeholders' Relationship Committee by the Board of Directors at its meeting held on April 29, 2014.

After Mr. A. K. Sinha resigned on 05/03/2015, Stakeholders' Relationship Committee has been reconstituted comprising of Ms. Shabnam Agarwal as Chairman and Mr. L. K. Tibrawalla, Mr. B. K. Nopany and Ms. Pratima Srivastava as members.

The Company has also adopted code of internal procedures and conduct for prevention of insider trading in the shares of the Company, pursuant to Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, as amended. The Board has designated Company Secretary as the Compliance Officer for this purpose

## **VIII. GENERAL BODY MEETINGS**

The last three Annual General Meetings were held as under:-

Year	Location	Date	Time	Special Resolutions Passed
2012-13	Regd. Office: 3, Pretoria Street, 4 <sup>th</sup> floor, Kolkata	30.11.2013	11.00 A.M.	N.A.
2011-12	Regd. Office: 3, Pretoria Street, 4 <sup>th</sup> floor, Kolkata	17.12.2012	11.00 A.M.	N.A.
2010-11	Regd. Office: 3, Pretoria Street, 4 <sup>th</sup> floor, Kolkata	20.12.2011	11.00 A.M.	1. Re-appointment of Mr. B.K. Nopany as MD 2. Conversion of Deben- tures into Equity Shares

During the last year no special resolution was put through postal ballot.

## IX. DISCLOSURES

### A. Basis of related party transaction

Related parties transactions with them as required under Accounting Standard 18 (AS-18) are furnished under point no.12 to Note No.18 of the Notes to Accounts attached with the financial statement for the year ended 30<sup>th</sup> June, 2014. There are no pecuniary relationships or transactions with the non-executive independent Directors.

None of the transactions with any related parties were in conflict with the interest of the Company.

### B. Whistle Blower Policy

The company encourages an open door policy where employees have access to the Head of the business/Function. In terms of Company's Code of Conduct, any instance of non adherence to the code/ any other observed unethical behavior are to be brought to the attention of the immediate reporting authority, who is required to report the same to the Head of Corporate Human Resources. We hereby affirm that no personnel have been denied access to the audit committee.

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

The Company has complied with all mandatory requirements of the revised Clause 49 of the Listing agreement, which came into effect from 1st January 2006. Further, the Company has also complied with the non-mandatory requirement relating to constitution of Remuneration Committee, Shareholder Rights and establishing the Whistleblower Policy.

### C. Code of Business Conduct and Ethics for Directors and management personnel

The Board has prescribed a Code of Conduct ("Code") for all Board members and senior management of the Company. The Code is already displayed in the Company's Website – [www.hanumansugar.com](http://www.hanumansugar.com). All Board members and senior management personnel have confirmed compliance with the Code for the year 2013-14. A declaration to this effect signed by the Chief Executive Officer of the Company is provided elsewhere in the Annual Report.

### D. Disclosure of Accounting Treatment

In the preparation of financial statements for the year ended on 30<sup>th</sup> June 2014; there was no treatment different from that prescribed in an accounting standard that had been followed.



## **E. Board Disclosures – Risk Management**

The Company has laid down procedures to inform Board members about the risk assessment and minimization procedures. These procedures are periodically reviewed to ensure that executive management controls risk through means of properly defined framework.

## **F. Proceeds from Public Issues, Right Issues, Preferential Issues, etc.**

The Company has not raised any amount through Public Issue, Right Issue, etc.

## **X. SUBSIDIARY MOTORING FRAMEWORK**

The Company has no subsidiary.

## **XI. MEANS OF COMMUNICATION**

Immediately after the Board of Directors of the Company took note of Results for quarter ended 30th September 2013, 31st December 2013, 31st March 2014 and Audited Annual Accounts, the same were informed to the Stock Exchanges, Kolkata and are also were published in English newspaper (viz Financial Express in Kolkata) and 'Arthik Lipi' in Bengali in Kolkata editions.

A management Discussion and Analysis report which forms part of the Annual Report is given by means of a separate annexure and is attached to the Directors' Report.

## **XII. GENERAL SHAREHOLDERS INFORMATION**

### **1. Annual General Meeting:**

<b>Date</b>	: 31st August, 2015
<b>Day</b>	: Monday.
<b>Time</b>	: 03.00 P.M.
<b>Venue</b>	: Regd. Office: 'Chandra Kunj', 3, Pretoria Street, 4 <sup>th</sup> Floor Kolkata – 700 071

### **2. Financial Calendar [Tentative and subject to change]:**

<b>Financial Year</b>	<b>July 1, 2014 to June 30, 2015</b>
First Quarter Results	15 <sup>th</sup> November, 2014
Second Quarter Results	15 <sup>th</sup> February, 2015
Third Quarter Results	15 <sup>th</sup> May, 2015

### **3. Date of Book closure**

27th August, 2015 to 31st August, 2015 (both days inclusive).

### **4. Dividend payment date**

On or after 31st August, 2015.

### **5. Listing on Stock Exchanges**

The Shares of the Company are listed on The Calcutta Stock Ltd, Kolkata and BSE Ltd, Mumbai. Listing fees for the year 2014-15 has been paid to the Stock Exchange.

### **6. Stock Codes**

The Calcutta Stock Exchange Ltd.	:	Scrip Code – 29132
BSE Ltd.	:	Scrip Code – 537709 [ Scrip ID: HANSUGAR]
ISIN Number for Dematerialized Shares:		INE 101H01013

## 7. Stock Market Data

There high and low quotations (In Rs. Per share) of equity shares traded at The BSE Ltd during the period from 12.03.2014 (Date of first trading after listing on 12.03.2014) to 30.06.2014 are as follows:

8. Month	Bombay Stock Exchange	
	High	Low
March, 2014 (12.3.14 to 31.3.14)	102.00	62.85
April, 2014	85.00	45.65
May, 2014	43.40	29.95
June, 2014	30.40	25.70

## 9. Registrar & Share Transfer Agent

M/s Maheshwari Datamatics Pvt Ltd.

6, Mangoe Lane, 2<sup>nd</sup> Floor

Kolkata – 700001

Phone : 033-2248 2248

2243 5809

Fax : 033-2248 8787

E-mail : mdpl@cal.vsnl.net.in, mdpldc@yahoo.com

## 10. Share Transfer system

Presently, the share certificates which are received for transfer in physical form are processed and are returned within a period of 10 to 15 days from the date of receipt, subject to the documents being valid and complete in all respects.

The transfers are approved in the Shareholders Grievance Transfer Committee which meets on a periodical basis.

## 11. Distribution of Shareholding as on 30<sup>th</sup> June, 2014

No. of Shares held (Rs. 10/- paid-up)	No. of Shareholders	Percentage of Total	No. of Shares	% of Total Shareholding
Upto 500	615	69.8864	132245	0.7148
501 to 1000	88	10.0000	65555	0.3544
1001 to 2000	24	2.7273	39883	0.2156
2001 to 3000	19	2.1591	52168	0.2820
3001 to 4000	5	0.5682	18674	0.1009
4001 to 5000	15	1.7045	74035	0.4002
5001 to 10000	19	2.1591	148754	0.8041
10001 and above	95	10.7955	17968686	97.1280
TOTAL :	880	100.0000	18500000	100.0000

**12. Shareholding Pattern 30th June, 2014**

Category	No. of Shares held	% of Total Shares
Promoter & Promoter Group	8190087	44.27
Financial Institutions & Banks	3400	0.02
Bodies Corporate	5794798	31.32
Indian Public	396061	21.41
NRIs / OCBs	10751	0.06
Clearing Members	539903	2.92
Total	18500000	100.00

**13. Dematerialisation of Shares and liquidity**

The dematting facility exists with both the NSDL and CDSL for the convenience of shareholders. As on 30th June 2014, 16218409 equity shares representing 87.67% of your Company's Equity shares capital have been de-materialised.

**13. Plant location**

P.O. Hanuman Sugar Mills  
Motihari - 845401  
Distt. East Champaran, Bihar

**14. Investors correspondence may be addressed to –**

Shree Hanuman Sugar and Industries Limited  
'Chandra Kunj'  
3, Pretoria Street, 4<sup>th</sup> Floor  
Kolkata - 700 071

By order of the Board  
For SHREE HANUMAN SUGAR & INDUSTRIES LIMITED

**B. K. Nopany**  
**Managing Director**

Place : Kolkata  
Dated : 14th July, 2015

## **AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

To the Members of  
**Shree Hanuman Sugar & Industries Ltd.**

We have examined the compliance of the conditions of Corporate Governance by **SHREE HANUMAN SUGAR & INDUSTRIES LIMITED** for the year ended on June 30, 2014, as stipulated in Clause 49 of the Listing Agreement of the said Company with the stock exchanges.

The compliance of the conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementations thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the abovementioned Listing Agreement.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we have to state that based on the report given by Investors' Grievance Committee, as on June 30, 2013 there were no investor grievance matters against the Company remaining unattended/pending for more than 30 days.

We further state that such compliance is neither an assurance as to the future viability of the Company nor that efficiency or effectiveness with which the Management has conducted the affairs of the Company

For **Agarwal Gupta Nokari & Rustagi Associates**

Chartered Accountant

F.R. No. 3100041E

Membership No. 017387

Place: 12, Waterloo Street, 3rd Floor  
Kolkata-700 069

Date: 27th August, 2014

## **DECLARATION BY M.D. UNDER CLAUSE 49 OF THE LISTING AGREEMENT**

As required under clause 49 of the Listing Agreement with Stock Exchanges, it is hereby confirmed that for the year ended 30th June 2014, the Director's of Shree Hanuman Sugar & Industries Limited have affirmed compliance with the Code of Conduct for Board Members as applicable to them and members of the senior management have affirmed compliance with Employee Code of Conduct, as applicable to them.

Place: Kolkata  
Date: 27th August, 2014

**B. K. Nopany**  
**Managing Director**

## **CEO AND CFO CERTIFICATION**

We, B. K. Nopany, Chairman and Madhu Tiwari, Chief Financial Officer, responsible for the finance function certify that:

- a. We have reviewed the financial statements and cash flow statement for the year ended 30th June 2014 and to the best of our knowledge and belief:
  - I. These statements do not contain any materially untrue statements or omit any material fact or contain statements that might 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. To the best of our knowledge and belief, no transactions entered into by the Company during the year ended 30th June 2014 are fraudulent, illegal or violative of the Company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the Company pertaining to the financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware, have been disclosed to the auditors and the Audit Committee and steps have been taken to rectify these deficiencies.
- d. There has not been any significant change in internal control over financial reporting during the year under reference;
- e. There has not been any significant change in accounting policies during the year requiring disclosure in the notes to the financial statements; and
- f. We are not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

Place: Kolkata  
Date: 27th August, 2014

**Madhu Tiwari**  
**Chief Financial Officer**

**B. K. Nopany**  
**Managing Director**

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

The Company is currently engaged in Manufacturing and Selling of crystal white sugar, trading in Stores items used by Sugar Industry and Construction. Construction mainly includes trading of construction rights.

### **SUGAR INDUSTRY**

Sugar crops in many parts of the world are projected to expand in response to rising demand for sugar and other uses and relatively high market prices. World sugar production is expected to increase by 50 Mt to reach over 209 Mt in 2020-21. The bulk of the additional sugar production will come from the developing countries. India, the second largest global producer and the world's leading consumer, is expected to boost production substantially to 32 Mt of sugar per year, on average, in the coming decade, or some 50% higher than in 2008-10, when production fell sharply. Annual sugar output will continue to be subject to periodic large swings in response to the longstanding production cycle. Some other countries of Asia, such as China and Pakistan, are also expected to continue to experience milder forms of production cycles, which contribute to fluctuations in production and their import volumes. Outside this group, an expansion drive underway in Thailand is expected to continue as investment projects currently in the pipeline come on stream, lifting production to around 8.7 Mt by 2020-21, and maintaining its position as the world's third largest producer.

Global sugar consumption has continued to increase despite the continuing economic difficulties in many developed countries, compounded by the period of high sugar prices and increased volatility. This has slowed sugar use at the start of the Outlook period and slower consumption growth is expected to continue over the longer term as world sugar prices average higher in real terms. Global consumption is projected to grow at 2.2% p.a. to 2020-21, and down from 2.6% p.a. in the previous ten years. The developing countries will continue to experience the strongest growth in sugar consumption, fuelled by rising incomes and populations, although with considerable variation between countries. The sugar deficit regions of Asia and the Far East as well as Africa, will be responsible for most of the expansion in use. In contrast, sugar consumption in many developed countries, with their mature sugar markets, are expected to show little or no growth. Total consumption in these countries is expected to increase from 48Mt to nearly 52 Mt over the projection period. This reflects, among other things, slowing population growth and dietary shifts that are underway as a result of increasing health awareness and concerns with obesity and related health issues.

Sugar is one of the essential items not only in the household sector but also in various industrial formulations in pharmaceutical sector, confectionery, soft drinks, sweets etc. The consumption of sugar in the country is on the increase due to population growth as also due to various development plans of the Government. Still the per capita sugar consumption in India is much lower than the world standard and even from the developing countries. However, the per capita consumption of sugar is on the increase on account of improved standard of living and the changing life style of rural masses which now prefers sugar than any other alternate sweetening material.

The Sugar industry has production cycles related to Cane production. This leads to sharp swings in prices. The crushing period varies from region to region. The crushing begins in October/November and goes on till April/May in all states except in Southern states like Tamil Nadu, Andhra Pradesh etc where it continues till July- August. Indian Sugar industry is highly fragmented with private sector, Co-operatives etc along with the unorganized players. The unorganized players mainly produce Gur and Khandsari which are less refined forms of Sugar.

### **Our Strategy**

We would intensify efforts in improving quantity and quality of Cane availability. We are taking all the steps to improve Cane quantity and quality in Sugar season 2015-16.



## **CONSTRUCTION**

The Company is also engaged in the business of construction and selling of residential houses and trading of construction rights.

The Company has not undertaken any major construction project. Presently, it has very small construction activities which include purchase and sell of construction rights. However, it has plans to expand its construction activities by undertaking large housing projects comprising economy as well as luxurious residential houses.

The Indian construction industry is an integral part of the Indian economy and an important portion of investments into the development of the Indian Economy takes place through the construction industry. The construction industry is expected to grow with further economic development, industrialisation, urbanisation and improvements in the standard of living.

According to Indian Infrastructure, the Indian construction industry accounts for more than 5% of India's GDP and is the second largest employer after agriculture, employing nearly 32 million people. In the course of liberalization of the Indian economy, the Government has placed a priority on infrastructure development and emphasised the involvement of private capital and management in order to respond to the growing demand for new infrastructure projects.

## **SEGMENTWISE PERFORMANCE**

Presently, the Company mainly deals in two segments:

- I. Sugar
- II. Construction

Segment Reporting as per point no.12 to note 18 of the Audited Statements of Account.

## **RISKS & MITIGATIONS**

### **Industry risk**

The Company's growth is largely dependent on the growth of the sugar industry.

However, India's low per capita sugar consumption compared with a global trend provides enough room for growth in the sector. Further, since sugar is an essential and preferred sweetener, it seldom faces any slackening demand in the country.

### **Raw material risk**

Rising sugarcane prices and non-availability could adversely affect the Company.

However, Company's Sugar Mill is located in the cane-rich areas of Bihar and its focused cane development team encourages farmers to enhance yield and plantation acreage. The proposed sector de-control in terms of introducing the Fair price mechanism for purchase of raw material will adequately help the ailing industry to recover. Moreover, the proposed revenue-sharing formula by the Rangarajan Committee will ensure cane prices are fixed at 75 percent of the sugar price realisation, strengthening the Industry's global competitiveness.

### **Cyclical risk**

Operating in a cyclical business, weak operational efficiency could affect profitability.

The Company's immediate future plans to invest in its ancillary business, co-generated power by using by-product bagasse and distillery plant, will impart a robust competitive edge to protect fortunes from cyclical risk. Moreover, its infrastructure, which is suitable for 15000 TCD capacity, will enable the Company to run its assets beyond the sugar season.

### **Regulatory risks**

Unfavourable government policies could derail business plans.

The government constituted the Rangarajan Committee to progressively de-control the sugar sector.

## **INTERNAL CONTROL SYSTEMS THEIR ADEQUACY**

Your Company has a proper and adequate system of Internal control to ensure that all assets are

safeguarded and protected against loss from unauthorized use or disposition and that the transactions are authorized recorded and reported correctly.

The Internal control system is designed to ensure that financial and other records are reliable for preparing financial information and other data and for maintaining accountability of assets. There is an elaborate internal audit system which is done by Independent firm of Internal Auditors. Their reports on the internal controls and their adequacy are regularly discussed with the Management and corrective measures wherever required, are taken and continuously monitored.

The Audit Committee of the Board meets regularly to review the adequacy of internal controls; internal audit findings and the corrective actions are taken, if necessary. The Management is reasonably satisfied about the adequacy of these internal control systems.

## **DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE**

### **Revenue**

The Total Income during the year under review, stood at Rs. 1932.30 lacs as against Rs. 2804.61 lacs in the previous Financial Year.

### **Profits**

Profit before Interest, Depreciation and Tax stood at 42.12%, showing a marginal increase from 32.36%. Profit after Tax amounting to Rs. 233.89 lacs stood at 12.10%, compared to 12.07%, in the previous financial year.

### **Earnings Per Shares (EPS)**

The Company recorded an EPS of Rs. 1.26 per equity shares of Rs. 10/- each during 2013-14.

### **Dividend**

The Board has recommended a dividend of Rs. 0.02 per equity share (being 2% on the par value per equity share of Rs. 10/- each), to be appropriated from the profits of the Company for the financial year 2013-14.

### **Dividend Payout**

The proposed dividend, if approved at the ensuing Annual General Meeting, would result in appropriation of Rs. 44.57 lacs (including Corporate Dividend Tax of Rs. 7.57 lacs) out of profits. The total appropriation of Dividend of Rs. 44.57 lacs stands at 19.06 per cent payout, as against 19.18 per cent in the previous financial year 2013-13.

## **MATERIAL DEVELOPMENT IN HUMAN RESOURCES/INDUSTRIAL RELATIONS FRONT**

A cordial industrial relations environment prevailed in the Company during the year, barring witness of recent agitation by workers to enforce their own demands. There was constant focus on all round organizational development. Regular promotions are granted and succession plans are effectively implemented. Our system of compensation is as per the market trends and job requirements. Other benefits to employees are provided for motivation.

### **CAUTION STATEMENT**

The above mentioned statements are only "forward looking statements" based on certain assumptions/expectations. The Company's actual performance could differ materially from those expressed/projected depending upon changes in various factors. The Company does not assume any responsibility to any change(s) in "forward looking statements", on the basis of subsequent development, information or events etc.

Place: Kolkata

Date: 27th August, 2014

**B. K. Nopany**  
Managing Director

## **SHREE HANUMAN SUGAR & INDUSTRIES LIMITED**

Regd. Office : 'Chandra Kunj', 4th Floor, 3 Pretoria Street, Kolkata-700 071

### **INDEPENDENT AUDITORS' REPORT**

To the Members of **Shree Hanuman Sugar & Industries Limited**

#### **Report on Financial Statements**

1. We have audited the accompanying financial statements of **SHREE HANUMAN SUGAR & INDUSTRIES LIMITED** which comprises of the Balance Sheet as at 30th June, 2014, the statement of Profit & Loss and the Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information.

#### **Management's Responsibility for the Financial Statements**

2. The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 ("the Act") and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### **Auditor's Responsibility**

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### **Basis for Qualified Opinion**

6. Non compliance of sections 194-A, 192, 194-I & 192-J, of Income Tax Act, 1961 with respect to TDS on interest other than interest on securities, salary, rent and fee for Professional & Technical services respectively. The TDS on above have not been deducted and/or deposited in time.\*
7. Non compliance of generally accepted accounting principles in accounting of Gratuity, Leave liabilities

and other retirement benefits towards employees, Bonus, Professional Taxes, Trade License Fees, Interest and penalty on delayed deposit of various statutory dues & income from interest on securities and other deposits as they are accounted for on cash basis.\*

\* *The possible loss if any, arising out of above which might have consequential effect on the year's Profit & Loss and Net Current Asset position of the Company at the year end, has neither been ascertained nor provided for in these accounts.*

### **Qualified Opinion**

8. *In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:*
- a) *in the case of the Balance Sheet, of the state of affairs of the Company as at 30th June, 2014;*
  - b) *in the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date; and*
  - c) *in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.*

### **Report on Other Legal and Regulatory Requirements**

9. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government in terms of Section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
10. As required by Section 227(3) of the Act, we report that:
- a) *Except for what have been stated in paragraph 6 & 7 under basis for qualified opinion, we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.*
  - b) *In our opinion, Except for what have been stated in paragraph 6 & 7 under basis for qualified opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.*
  - c) *The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.*
  - d) *In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards referred to in Section 211(3C) of the Act.*
  - e) *On the basis of the written representations received from the directors as on 30th June, 2014 taken on record by the Board of Directors, none of the directors is disqualified as on 30th June, 2013 from being appointed as a director in terms of Section 274(1)(g) of the Act.*

**For Agarwal Gupta Nokari & Rustagi Associates**

Chartered Accountants

F.R. No. 310041E

**CA Bhal Chandra Khaitan**

(Partner)

Membership No. 017387

Place: Kolkata

Date: 27th August, 2014

## **Annexure to the Independent Auditors' Report**

(Referred to in paragraph 9 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

1. In respect of its fixed assets
  - a) The Company has maintained proper records showing full particulars including quantitative details and situations of fixed assets.
  - b) The fixed assets have been physically verified by the management at the year-end and no material discrepancies have been noticed on such verification.
  - c) No disposal of a substantial part of the fixed assets of the Company has taken place during the reporting period.
2. In respect of its inventories
  - a) The inventories were physically verified during the year by the Management at reasonable intervals.
  - b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.
  - c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
3. The Company has neither granted nor taken any loans, secured or unsecured, to / from companies, firms or other parties covered in the Register maintained under Section 301 of the Companies Act, 1956.
4. The Company has adequate internal control procedures commensurate with the size of the Company and nature of its business with regard to purchase of inventory and fixed assets and also for the sale of goods. During the course of our audit, we have not observed any major weakness in such internal control system.
5. According to the information & explanation given to us there is no contract or arrangement that's needs to be entered in the register required to be maintained under sec 301 of the Companies Act.
6. The company has not accepted any deposits within the meaning of section 58A, 58AA or any other relevant provisions of Act and the rules framed there under.
7. In our opinion, the internal audit system of the Company is commensurate with the size and the nature of its business.
8. We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records in respect of sugar u/s 290(1)(d) of the Companies Act, 1956 and are of the opinion that prima facie the prescribed account and records have been maintained.
9. The Company is generally regular in depositing undisputed statutory dues, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other statutory dues with appropriate authority and no undisputed amount payable in respect of aforesaid dues were in arrears, as at 30th June, 2014 for a period of more than six months from the date they became payable.
10. According to the records of the Company, dues outstanding in respect of Sales Tax, Income Tax, Custom Duty, Wealth Tax, Excise Duty and Cess on account of any dispute are as follows:

**I. Disputed**

Name of the Statute	Nature of Dues	Amount (Rs in lacs)	Forum where Dispute is pending
Income Tax Act, 1961	Income Tax	129.78	Calcutta High Court
Income Tax Act, 1961	Disallowance of interest	192.12	Calcutta High Court
Income Tax Act, 1961	Order u/s 148	123.81	Calcutta High Court
Income Tax Act, 1961	Disallowance of Nomination Charges	34.67	CIT(A)

**II. Undisputed**

Gratuity	98.33
Provident Fund	117.59
Purchase Tax	5.67
Excise Duty	5.35
Zonal Development Council	1.91
Sales Tax	0.51

11. The Company has no accumulated losses and has not incurred any cash loss during the year covered by our audit or in the immediately preceding financial year.
12. The Company has not defaulted in payment of dues to financial institution or banks. The company has not issued any debentures.
13. The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
14. In our opinion and according to the information and explanations given to us, the nature of activities of the Company does not attract any special statute applicable to chit fund and nidhi/mutual benefit fund/societies.
15. In our opinion and according to information and explanations given to us, the company is not dealing or trading in shares, securities, debentures and other investments and therefore the provisions of Clause 4(xiv) of the order are not applicable. The securities and other investments have been held by the company in its own name.
16. The Company has not given any guarantee for loans taken by others from Banks or Financial Institutions during the reporting period.
17. The Company has not raised any term loans, so the provisions are not applicable to the Company.
18. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that no funds raised on short term basis have been used for long term investments.
19. The Company has not raised any moneys by public issue during the year covered by our audit report.
20. Based on the audit procedures adopted and information and explanations given to us by the management, no fraud on or by the Company has been noticed or reported during the year that causes the financial statements materially mis-stated.

For **Agarwal Gupta Nokari & Rustagi Associates**

Chartered Accountants

F.R. No. 310041E

**CA Bhal Chandra Khaitan**

(Partner)

Membership No. 017387

Place: Kolkata

Date: 27th August, 2014



# SHREE HANUMAN SUGAR & INDUSTRIES LIMITED

Regd. Office : 'Chandra Kunj', 4th Floor, 3 Pretoria Street, Kolkata-700 071

## BALANCE SHEET AS AT 30TH JUNE, 2014

PARTICULARS	NOTE No.	As at 30.06.2014 Amount Rs.(in lacs)	As at 30.06.2013 Amount Rs.(in lacs)
<b>I. EQUITY AND LIABILITIES</b>			
<b>1. Shareholder's Funds</b>			
(a) Share Capital	1	1,850.00	1,850.00
(b) Reserves and Surplus	2	6,906.63	6,957.64
		<b>8,756.63</b>	<b>8,807.64</b>
<b>2. Non-current liabilities</b>	3		
(a) Long-term borrowings		161.68	
<b>4. Current Liabilities</b>	4		
(a) Short Term Borrowings		551.85	686.45
(b) Trade Payables		1,128.28	1,363.02
(c) Other Current Liabilities		5,982.79	6,327.70
(d) Provision for Taxation		524.82	477.86
		<b>8,187.74</b>	<b>8,855.03</b>
<b>TOTAL :</b>		<b>17,106.05</b>	<b>17,662.67</b>
<b>II. ASSETS</b>			
<b>1. Non-current assets</b>			
(a) Fixed Assets :	5		
(i) Tangible Asset			
Gross Block		12,765.49	12,752.37
Less : Depreciation		3,316.71	2,752.58
Net Block		9,448.78	9,999.79
(ii) Capital Work-in-Progress		2,354.53	1,519.53
		<b>11,803.31</b>	<b>11,519.32</b>
(b) Non-current Investments	6	976.73	607.47
(c) Long-term loans & advances	7	10.11	10.11
<b>2. Current assets</b>			
(a) Inventories	8	1,545.17	1,188.20
(b) Trade Receivables	9	812.91	256.87
(c) Cash and Cash equivalents	10	131.40	19.59
(d) Short-term loans and advances	11	1,728.36	3,974.75
(e) Other Current Assets	12	98.06	86.36
		<b>4,315.90</b>	<b>5,525.77</b>
<b>TOTAL :</b>		<b>17,106.05</b>	<b>17,662.67</b>
<b>Significant accounting policies</b>	19		

The accompanying notes are an Integral parts of financial statements

As per our report of even date

For **Agarwal Gupta Nokari & Rustagi Associates**  
Chartered Accountants  
F.R. No. 310041E  
**CA Bhal Chandra Khaitan** (Partner)  
Membership No. 017387  
Place: Kolkata  
Date: 27th August, 2014

For & on behalf of

**B.K. Nopany**  
Managing Director  
**R.K. More**  
Executive Director

**L.K. Tibrawalla, P. Srivastava,**  
**Ashok Kr. Sinha**  
Directors

**R.K. Didwania**, Company Secretary

# SHREE HANUMAN SUGAR & INDUSTRIES LIMITED

Regd. Office : 'Chandra Kunj', 4th Floor, 3 Pretoria Street, Kolkata-700 071

## STATEMENT OF PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 30.06.2014

PARTICULARS	NOTE No.	Amount in Rs. (in Lacs)		Amount in Rs. (in Lacs)	
		30.06.2014		30.06.2013	
<b>I</b> Revenue from Operations	<b>13</b>	1,425.76		2,400.45	
Less: Excise Duty		7.13		35.31	
<b>Revenue from Operations (Net)</b>		1,418.63		2,365.14	
<b>II</b> Other Income	<b>14</b>	513.67		439.47	
<b>III Total Revenue (I + II)</b>			<b>1,932.30</b>		<b>2,804.61</b>
<b>IV Expenses:</b>					
Cost of Material Consumed				727.29	
Purchase of Stock-in-trade	<b>15</b>	1,237.87		664.17	
Change in inventories of Finished Goods	<b>16</b>	(329.93)		(39.79)	
Stock in Trade & By Products					
Employee Benefit Expenses	<b>17</b>	108.85		331.64	
Finance Cost		29.45		9.97	
Depreciation		564.13		555.93	
Other Expenses	<b>18</b>	101.53	1,695.85	213.81	<b>2,463.02</b>
<b>V Profit before Tax (III-IV)</b>			<b>220.40</b>		<b>341.59</b>
<b>VI Tax Expense:</b>					
Current tax			2.56		3.15
<b>VII Profit for the period (V-VI)</b>			<b>217.84</b>		<b>338.44</b>
<b>Balance carried to Balance Sheet</b>			<b>217.84</b>		<b>338.44</b>
<b>VIII Earnings per equity share:</b>					
(1) Basic			<b>1.18</b>		1.96
(2) Diluted			<b>1.18</b>		1.96
<b>IX Earnings per Share:</b>					
(1) Basic			<b>185.00</b>		185.00
(2) Diluted			<b>185.00</b>		185.00
Significant accounting policies	<b>19</b>				
Notes are Integral parts of Accounts					

The accompanying notes are an Integral parts of financial statements

As per our report of even date

For **Agarwal Gupta Nokari & Rustagi Associates**

Chartered Accountants

F.R. No. 310041E

**CA Bhal Chandra Khaitan** (Partner)

Membership No. 017387

Place: Kolkata

Date: 27th August, 2014

For & on behalf of

**B.K. Nopany**

Managing Director

**R.K. More**

Executive Director

**L.K. Tibrawalla, P. Srivastava,**

**Ashok Kr. Sinha**

Directors

**R.K. Didwania**, Company Secretary

# SHREE HANUMAN SUGAR & INDUSTRIES LIMITED

Regd. Office : 'Chandra Kunj', 4th Floor, 3 Pretoria Street, Kolkata-700 071

## NOTES TO ACCOUNTS FORMING PART OF BALANCE SHEET

	As on 30.06.2014		As on 30.06.2013	
	Amount (Rs.in lacs)		Amount (Rs.in lacs)	
<b>NOTE 1: SHARE CAPITAL</b>				
<b>(a) Authorised Capital</b>				
(7,00,00,000 shares of Rs. 10/- each)	7 crores	<b>7,000.00</b>	7 crores	7,000.00
<b>(b) Issued, Subscribed and Paid up</b>				
(1,85,00,000 shares of Rs. 10/- each)	1.85 crores	<b>1,850.00</b>	1.85 crores	1,850.00
		<b>1,850.00</b>		1,850.00
<b>NOTE 2: RESERVES &amp; SURPLUS</b>				
<b>Revaluation Reserve:</b>				
As per Last Balance Sheet	1,168.00		968.00	
Less: Transferred to Special Reserve	(500.00)		200.00	
Less: Transferred from Sale of Land	(224.45)	<b>443.55</b>		1,168.00
<b>Capital Redemption Reserve:</b>				
As per Last Balance Sheet		<b>22.50</b>		22.50
<b>Share Premium:</b>				
As per Last Balance Sheet	842.50		691.25	
Add: With respect to shares issued during the year		<b>842.50</b>	151.25	842.50
<b>Special Reserve:</b>				
As per Last Balance Sheet	1,227.26		1,015.78	
Add: Transferred from Revaluation Reserve	500.00			
Add: T/f from Statement of Profit & Loss	300.00	<b>2,027.26</b>	211.48	1,227.26
<b>General Reserve:</b>				
As per Last Balance Sheet		<b>3,200.00</b>		3,200.00
<b>Profit &amp; Loss Account:</b>				
As per last Balance Sheet	497.38		435.36	
Add: Profit after Tax for the Current year	217.84		338.44	
Less: Proposed Dividend	(37.00)		(55.50)	
Less: Dividend Distribution Tax	(7.40)		(9.44)	
Less: T/f to Special Reserve	(300.00)	<b>370.82</b>	(211.48)	497.38
<b>TOTAL :</b>		<b>6,906.63</b>		<b>6,957.64</b>

## SHREE HANUMAN SUGAR & INDUSTRIES LIMITED

Regd. Office : 'Chandra Kunj', 4th Floor, 3 Pretoria Street, Kolkata-700 071

### NOTES TO ACCOUNTS FORMING PART OF BALANCE SHEET

	As on 30.06.2014		As on 30.06.2013	
	Amount (Rs.in lacs)		Amount (Rs.in lacs)	
<b>NOTE 3: NON-CURRENT LIABILITIES</b>				
<b>Long Term Borrowings (Secured Loan)</b>				
Churchgate Investments Trading Co. Pvt. Ltd.		<b>161.68</b>		<b>-</b>
<b>NOTE 4: CURRENT LIABILITIES</b>				
<b>(a) Short Term Borrowings</b>				
From Body Corporates	226.85		87.62	
From Related Parties	325.00		598.83	
From Others	-	<b>551.85</b>	-	<b>686.45</b>
<b>(b) Trade Payables</b>		<b>1,128.28</b>		<b>1,363.02</b>
<b>(c) Other Current Liabilities</b>				
Audit Fee Payable	0.33		0.33	
Other Payables	357.46		702.37	
Share application	5,625.00	<b>5,982.79</b>	5,625.00	<b>6,327.70</b>
<b>(d) Short Term Provisions</b>				
Provision for Taxation	415.48		412.92	
Proposed Dividend	92.50		55.50	
Provision for Dividend Tax	16.84	<b>524.82</b>	9.44	<b>477.86</b>
<b>TOTAL :</b>		<b>8,187.74</b>		<b>8,855.03</b>

## SHREE HANUMAN SUGAR & INDUSTRIES LIMITED

Regd. Office : 'Chandra Kunj', 4th Floor, 3 Pretoria Street, Kolkata-700 071

### NOTES FORMING PART OF BALANCE SHEET AS AT 30TH JUNE, 2014

#### NOTE 5: FIXED ASSET

DESCRIPTION	GROSS BLOCK				DEPRECIATION			NET BLOCK	
	As at 01.07.2013 (Rs. In Lacs)	Addition/ Revaluation (Rs. In Lacs)	Sales/ Adjustment (Rs. In Lacs)	As at 30.06.2014 (Rs. In Lacs)	Up to 01.07.2013 (Rs. In Lacs)	For the year (Rs. In Lacs)	Up to 30.06.2014 (Rs. In Lacs)	As at 30.06.2014 (Rs. In Lacs)	As at 30.06.2013 (Rs. In Lacs)
<b>A. FIXED ASSETS - OWN:</b>									
Land	1,224.46	(254.45)		970.01	-	-	-	970.01	1,224.46
Building	59.04	-		59.04	17.46	0.96	18.42	40.62	41.58
Plant & Machinery	10,810.20	265.52		11,075.72	2,285.56	521.37	2,806.93	8,268.79	8,524.64
Plant & Machinery (Leasehold)	521.32	-	-	521.32	322.28	39.80	362.08	159.24	199.04
Furniture & Fixtures	30.09	2.05		32.14	25.01	2.00	27.01	5.13	5.08
Vehicles	107.26	-	-	107.26	102.27	-	102.27	4.99	4.99
<b>TOTAL OF 'A'</b>	<b>12,752.37</b>	<b>13.12</b>	<b>-</b>	<b>12,765.49</b>	<b>2,752.58</b>	<b>564.13</b>	<b>3,316.71</b>	<b>9,448.78</b>	<b>9,999.79</b>
<b>B. CAPITAL WORK IN PROGRESS:</b>									
Machinery under installation	1,178.62	835.00	-	2,013.62	-	-	-	2,013.62	1,178.62
Expenses Pending Allocation	201.31			201.31	-	-	-	201.31	201.31
Preoperative Expenses	139.60	-	-	139.60	-	-	-	139.60	139.60
<b>TOTAL OF 'B'</b>	<b>1,519.53</b>	<b>835.00</b>	<b>-</b>	<b>2,354.53</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,354.53</b>	<b>1,519.53</b>
<b>GRAND TOTAL : (A+B)</b>	<b>14,271.90</b>	<b>848.12</b>	<b>-</b>	<b>15,120.02</b>	<b>2,752.58</b>	<b>564.13</b>	<b>3,316.71</b>	<b>11,803.31</b>	<b>11,519.32</b>
<b>PREVIOUS YEAR</b>	13,412.66	859.24	-	14,271.90	2,196.65	555.93	2,752.58	11,519.32	11,216.01

# SHREE HANUMAN SUGAR & INDUSTRIES LIMITED

Regd. Office : 'Chandra Kunj', 4th Floor, 3 Pretoria Street, Kolkata-700 071

## NOTES TO ACCOUNTS FORMING PART OF BALANCE SHEET

	Nominal Value	Amount in lacs	
		As on 30.06.2014	As on 30.06.2013
<b>NOTE 6: NON-CURRENT INVESTMENTS</b>			
<b>Non Trade Investments</b>			
<b>Unquoted:</b>			
N.S.C.	-	0.12	0.12
(Deposited with Central Excise Authority)			
100, 3.5% Unclassified Shares (of Bihar State Financial Corporation Ltd.)	100.00	0.10	0.10
11 Equity Shares (of Shubham Holdings Private Ltd.)	100.00	0.01	0.01
5400 Equity Shares (of Kolhapur Forge Private Ltd.)	-	594.00	-
Shruti Ltd.	-	-	607.24
(75950 Equity Shares of Rs. 10 each, fully paid)			
425000 Equity Shares (of Bilaspur Spinning Mills Ltd.)	-	382.50	-
<b>TOTAL :</b>		<b>976.73</b>	<b>607.47</b>
	<b>As on 30.06.2014</b>	<b>As on 30.06.2013</b>	
	<b>Amount (Rs.in lacs)</b>	<b>Amount (Rs.in lacs)</b>	
<b>NOTE 7: LONG-TERM LOANS &amp; ADVANCES</b>			
Security Deposits	10.11		10.11
<b>TOTAL :</b>	<b>10.11</b>		<b>10.11</b>
<b>NOTE 8: INVENTORIES</b>			
<b>Manufactured Goods</b>			
Sugar	4.56	119.49	
By Product-Molasses	3.11	7.67	131.81
		12.32	
Stores & Parts		62.93	35.89
Construction Rights		1,237.87	783.80
Work in Progress (Construction)		236.70	236.70
<b>TOTAL :</b>	<b>1,545.17</b>		<b>1,188.20</b>
<b>NOTE 9: TRADE RECEIVABLES</b>			
Sundry Debtors (Unsecured, Considered good)			
Outstanding for the Period			
Exceeding Six Months from Due Date			
Other Trade Receivables	812.91		256.87
<b>TOTAL :</b>	<b>812.91</b>		<b>256.87</b>



## SHREE HANUMAN SUGAR & INDUSTRIES LIMITED

Regd. Office : 'Chandra Kunj', 4th Floor, 3 Pretoria Street, Kolkata-700 071

### NOTES TO ACCOUNTS FORMING PART OF BALANCE SHEET

	As on 30.06.2014		As on 30.06.2013	
	Amount (Rs.in lacs)		Amount (Rs.in lacs)	
<b>NOTE 10: CASH &amp; CASH EQUIVALENTS</b>				
Cash in hand		118.68		5.62
Balance With Schedule Banks (In Current Accounts)		12.72		13.97
<b>TOTAL :</b>		<b>131.40</b>		<b>19.59</b>
<b>NOTE 11: SHORT-TERM LOANS &amp; ADVANCES</b>				
(Unsecured, Considered Good)				
Advances to Other than Related Parties		1,700.23		3,974.75
Advances Related Parties		28.13		
<b>TOTAL :</b>		<b>1,728.36</b>		<b>3,974.75</b>
<b>NOTE 12: OTHER CURRENT ASSETS</b>				
(Considered Good)				
Advances to Employees		80.70		71.30
With Statutory Authority		17.36		15.06
<b>TOTAL :</b>		<b>98.06</b>		<b>86.36</b>

# SHREE HANUMAN SUGAR & INDUSTRIES LIMITED

Regd. Office : 'Chandra Kunj', 4th Floor, 3 Pretoria Street, Kolkata-700 071

## NOTES TO ACCOUNTS FORMING PART OF PROFIT & LOSS

	As on 30.06.14 (Rs. in Lacs)	As on 30.06.13 (Rs. in Lacs)
<b>NOTE 13 : REVENUE FROM OPERATIONS</b>		
<b>Sale of Products</b>		
Sugar	108.55	677.87
Stores & Spare Parts (Trading)	—	309.82
Molasses	8.34	44.91
Sale of Construction Right	1,308.87	1,367.85
<b>TOTAL :</b>	<b>1,425.76</b>	<b>2,400.45</b>
<b>NOTE 14 : OTHER INCOME</b>		
Profit from Sale of Investments	243.67	228.00
Profit from Sale of Property	270.00	211.47
<b>TOTAL :</b>	<b>513.67</b>	<b>439.47</b>
<b>NOTE 15 : PURCHASE OF STOCK IN TRADE</b>		
Stores & Spare Parts (Trading)	—	155.91
Construction rights	1,237.87	508.26
<b>TOTAL :</b>	<b>1,237.87</b>	<b>664.17</b>
<b>NOTE 16 : CHANGE IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE &amp; BY PRODUCTS</b>		
<b>Closing Stock :</b>		
Sugar	4.56	119.49
Molasses	3.11	12.32
Construction Rights	1,237.87	783.80
Work in Progress (Construction)	236.70	236.70
	<b>1,482.24</b>	<b>1,152.31</b>
<b>Less: Opening Stock</b>		
Sugar	119.49	-
Molasses	12.32	10.82
Construction Rights	783.80	865.00
Work in Progress (Construction)	236.70	236.70
	<b>1,152.31</b>	<b>1,112.52</b>
<b>TOTAL :</b>	<b>329.93</b>	<b>39.79</b>
<b>NOTE 17 : EMPLOYEE BENEFIT EXPENSES</b>		
Salary & Wages	100.60	300.69
Providend Fund	6.92	28.14
Employees Welfare Expenses	1.33	2.81
<b>TOTAL :</b>	<b>108.85</b>	<b>331.64</b>

## SHREE HANUMAN SUGAR & INDUSTRIES LIMITED

Regd. Office : 'Chandra Kunj', 4th Floor, 3 Pretoria Street, Kolkata-700 071

### NOTES TO ACCOUNTS FORMING PART OF PROFIT & LOSS

	As on 30.06.14 (Rs. in Lacs)	As on 30.06.13 (Rs. in Lacs)
<b>NOTE 18 : OTHER EXPENSES</b>		
Insurance Premium	0.78	0.90
Medical Insurance Premium	3.25	-
Sugar Packing Material		12.44
Store Consumption	0.33	38.61
Audit Fees	0.33	0.33
Rent	1.02	0.93
Power & Fuel	6.00	26.53
Rates & Taxes	0.20	-
Building Repairs	0.34	2.90
Machinery repairs	0.48	3.20
Inspection Charges	0.25	-
Manufacturing Expenses	-	5.75
Services Charges	1.69	-
Cane Expenses	0.50	-
Cane Development Expenses	0.08	-
Retainers Fee	5.51	1.35
Registration Fee	1.10	-
Travelling Expenses	23.44	33.98
VAT Audit Fee	0.08	-
Legal Expenses	5.55	5.51
Printing & Stationary	1.25	1.52
Electricity Charges	1.37	-
Conveyance Charges	1.74	6.08
Telephone Charges	2.50	1.34
General Expenses	5.96	-
Office Maintenance	3.43	4.61
Bank Charges	0.09	0.16
Advertisement	0.46	0.57
Professional Charges	5.11	6.18
Consultancy Fees	-	2.95
Computer Maintenance	0.16	0.66
Processing Charges	3.81	1.33
Books & Periodicals	0.16	-
Filing Fees	-	0.15
Certification Charges	0.35	0.26
Subscription	0.01	-
Motor Car Expenses	1.37	10.38
Liasoning Fees	3.00	-
Valuation Charges	0.26	0.31
Sugar Selling Expenses	0.42	0.55
Postage & Telegram	0.02	-
Shsil A/c-2 General Charges	0.25	-
Miscellaneous Expenses	10.21	44.33
Listing Fees	6.67	-
Listing Expenses	2.00	-
<b>TOTAL :</b>	<b>101.53</b>	<b>213.81</b>

# SHREE HANUMAN SUGAR & INDUSTRIES LIMITED

Regd. Office : 'Chandra Kunj', 4th Floor, 3 Pretoria Street, Kolkata-700 071

## CASH FLOW STATEMENT FOR THE YEAR ENDED ON 30TH JUNE, 2014

	AMOUNT (Rs. in Lacs)			
	2013-2014		2012-2013	
<b>A. Cash Flow From Operation Activities</b>				
Net Profit Before Tax & Extraordinary Item	220.40		341.59	
Adjustment for :				
Sale of Property	(270.00)		(211.47)	
Profit on Sale of Investments	(243.67)		(228.00)	
Interest Paid	29.45		9.97	
Depreciation	564.13		555.93	
Operating Profit before Working Capital changes	300.31		468.02	
Adjustment for :				
Trade & Other Receivable	(556.04)		(47.12)	
Current Borrowings	(42.75)		(628.88)	
Other Current Liabilities	(344.91)		(339.73)	
Inventories	(356.97)		16.06	
Short Term Loans & Advances	2,246.39		(406.52)	
Other Current Assets	(1.70)			
Trade Payable	(234.74)	999.59	812.81	(125.36)
<b>Net Cash Generated from Operations</b>		<b>999.59</b>		<b>(125.36)</b>
<b>B. Cash Flow From Investment Activities</b>				
Purchase of Fixed Assets	(1,102.57)		(659.24)	
Purchase of Investments	(976.50)		-	
Sale of Property	300.00		211.47	
Sale of Investment	850.90		598.00	
<b>Net Cash Generated from Investing Activities</b>		<b>(928.17)</b>		<b>150.23</b>
<b>C. Cash Flow From Financing Activities</b>				
Interest Paid	(29.45)		(9.97)	
Dividend Paid (including Dividend Dist. Tax)	-		(56.16)	
Long Term Advances	-		34.21	
Long Term Borrowings	69.83		-	
Issue of share capital (including Share Premium)	-		401.25	
Share Application	-		(401.25)	
<b>Net Cash Generated from Investing Activities</b>		<b>(40.38)</b>		<b>(31.92)</b>
Total Cash Generated During the year (A+B+C)		111.80		(7.05)
Add: Cash Balance at the Beginning of the year		19.60		26.65
<b>Cash Balance at the End of the Year</b>		<b>131.40</b>		<b>19.60</b>

1. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard-3 on Cash Flow. 2. Additions to fixed assets include movement of Capital work-in-progress. 3. Figure in brackets represent cash outflow from respective activities.

As per our report of even date

For **Agarwal Gupta Nokari & Rustagi Associates**  
Chartered Accountants  
F.R. No. 310041E  
**CA Bhal Chandra Khaitan** (Partner)  
Membership No. 017387  
Place: Kolkata  
Date: 27th August, 2014

For & on behalf of

**B.K. Nopany**  
Managing Director  
**R.K. More**  
Executive Director

**L.K. Tibrawalla, P. Srivastava,**  
**Ashok Kr. Sinha**  
Directors

**R.K. Didwania**, Company Secretary

## **SHREE HANUMAN SUGAR & INDUSTRIES LIMITED**

Regd. Office : 'Chandra Kunj', 4th Floor, 3 Pretoria Street, Kolkata-700 071

### **19. Significant Accounting Policies**

#### **i) Basis of Preparation of Financial Statement**

The company prepares its accounts on accrual basis following the historical cost convention and on the basis of going concern in compliance with the provisions of Section 211 (3C) [Companies (Accounting Standards) Rules, 2006, as amended] and the other relevant provisions of the Companies Act, 1956.

#### **ii) Use of Estimates**

The preparation of the Financial Statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and reported amounts of income and expenditure during the period.

#### **iii) Fixed Assets and Work in Progress**

Fixed Assets are stated at cost less accumulated depreciation and impairment losses determined, if any. The cost comprises the purchase price inclusive of duties (net of CENVAT Credit), taxes, incidental expenses, erection / commissioning expenses and borrowing costs if capitalization criteria are met and directly attributable cost of bringing the assets to its working condition for the intended use.

Expenditure during construction period: Expenditure incurred on projects under implementation are treated as Pre-operative expenses pending allocation to the assets and are shown under "Capital work-in-progress". Capital work-in-progress is stated at the amount expended up to the date of Balance Sheet for the cost of fixed assets that are not yet ready for their intended use.

#### **iv) Depreciation**

Depreciation on Fixed Assets is provided on Straight Line method in accordance with the rates as specified in Schedule XIV to the Companies Act, 1956 (as amended).

Leasehold Plant & Machineries are depreciated over the primary period of lease or their respective useful lives, whichever is shorter.

#### **v) Investments**

Investments are either classified as current or long-term based on Management's intention at the time of purchase. Long-term investments are carried at cost less provisions for diminution recorded to recognize any decline, other than temporary, in the carrying value of each investment. Current investments are carried at the lower of cost and fair value, category wise. Cost includes acquisition charges such as brokerage, fee and duties.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

#### **vi) Inventories**

Inventories are valued at lower of cost and net realizable value. Cost of inventory comprises of purchase price, cost of conversion and other cost that have been incurred in bringing the inventories to their respective present location and condition. Interest costs are not included in value of inventories. The cost of Inventories is computed on weighted average basis.

#### **vii) Revenue recognition**

Sale of goods is recognized at the time of transfer of substantial risk and rewards of ownership to

the buyer for a consideration.

All other income are accounted for on accrual basis.

**viii) Expenses**

All the expenses are accounted for on accrual basis. Employee benefits, Short-term employee benefits are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss for the year in which the related service is rendered.

**ix) Impairment of assets**

Impairment loss, if any, is recognized to the extent, the carrying amount of assets exceed their recoverable amount. Recoverable amount is higher of, an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Impairment losses recognized in prior years are reversed when there is an indication that the impairment losses recognized no longer exist or have decreased. Such reversals are recognized as an increase in carrying amount of assets to the extent that it does not exceed the carrying amount that would have been determined (net of amortization or depreciation) had no impairment loss been recognized in previous years. After impairment, depreciation or amortization on assets is provided on the revised carrying amount of the respective asset over its remaining useful life.

**x) Segment reporting**

Segments are identified based on the dominant source and nature of risks and returns and the internal organisation and management structure. The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. In addition, the following specific accounting policies have been followed for segment reporting:

Inter segment revenue is accounted for based on the transaction price agreed to between segments which is primarily market led.

Revenue and expenses are identified to segments on the basis of their relationship to the operating activities of the segment. Revenue and expenses, which relate to the enterprise as a whole and are not allocable to segments on a reasonable basis, have been disclosed as "Un-allocable".

**xi) Earnings per share**

Basic earnings per share is computed by dividing the profit/(loss) after tax (including the post tax effect of extra ordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit/(loss) after tax (including the post tax effect of any extra ordinary items, if any) by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares which could be issued on the conversion of all dilutive potential equity shares.

**xii) Taxes on income**

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961. Deferred tax is recognized, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

**xiii) Derivative Instruments**

As per the announcement made by the Institute of Chartered Accountants of India, Derivative contracts, other than those covered under AS-11, are marked to market on a portfolio basis, and the net loss after considering the offsetting effect of the underlying hedged item is charged to the statement of profit and loss. Net gains are ignored as a matter of prudence.



**xiv) Cash flow statement**

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing flows. The cash flows from operating, investing and financing activities of the Company are segregated.

**xv) Dues to micro and small scale business enterprises**

There are no Micro and Small Enterprises, to whom the Group owes dues, which are outstanding for more than 45 days as at 30th June, 2014. This information as required to be disclosed under 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.

**xvi) Cash and Cash Equivalents**

Cash and cash equivalents include cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

**xvii) Provisions, contingent liabilities and contingent assets**

Provision is recognised in respect of obligations where, based on the evidence available, their existence at the Balance Sheet date is considered probable.

A provision is recognised if, as a result of a past event, the Company has a present legal obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Provisions are determined by the best estimate of the outflow of economic benefits required to settle the obligation at the balance sheet date.

Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

Re-imbursement expected in respect of expenditure to settle a provision is recognised only when it is virtually certain that the reimbursement will be received.

A Contingent Asset/Liability is not recognised in the Accounts.

**18. Notes Forming Part of Financial Statements****i) Contingent Liabilities**

- a. The company has given a guarantee to the Bank of India for cash credit facilities of Rs.250 lacs, Working Capital Term Loan for Rs.650 lacs and guarantee issue facility to the extent of Rs.150 lacs sanctioned to Eastern Sugar & Industries Limited.
- b. The company has mortgaged, by way of deposit of title deeds, all immovable properties pertaining to its sugar division situated at Motihari, Champaran East, Bihar as security interalia for the punctual payment of Lease Rentals, Cost Compensatory and Finance Charges, expenses and other moneys payable by Eastern Sugar & Industries Limited to IDBI in respect of assistance granted under Equipment Lease Finance Scheme and Term Loan aggregating to Rs. 2625 lacs.
- c. The Company had determined lease with The Eastern Sugar & Industries Ltd in the accounting year 2005 – 2006 and as per the terms and conditions of the agreement entered into with the said lessee company, all the fixed assets of the said lessee company will be acquired on deferred payment basis over a number of years by the Company at a value (to be ascertained) on the date of transfer. Such purchases shall be accounted for as and when the assets are acquired and the amount payable for such purchases/acquisition of fixed assets shall be adjusted against loans given to and other claims due from the lessee company. Contingent liability for such amount

payable to the said Company for acquisition of its fixed assets has not therefore been provided in the books of the Company.

- ii) There is no impairment of assets. The management expects to recover amount higher than the carrying value of fixed assets.
- iii) Deferred Tax has not been recognized in the books.
- iv) T.D.S. on interest other than interest on securities, rent, salary & fee for professional & Technical services u/s 194-A, 192 & 192-J respectively, of Income Tax Act, 1961 have not been deducted and deposited in time. Interest and penalty on delayed deposit if any, will be accounted for on cash basis.
- v) Gratuity, Leave liabilities towards employees, bonus & income from interest on securities and other deposits are being accounted for on cash basis.
- vi) Professional Taxes and Trade License Fees are to be accounted for on cash basis.
- vii) Balance Confirmation Certificates from Debtors and Creditors are awaited from the respective parties.

### viii) Segment Reporting

The Company has operated in two segments during the year ended on 30th June, 2014 and segment as per AS-17 issued by the ICAI is given below:

#### Segment Revenue, Result and Capital employed

Particulars	As at 30/06/2014	As at 30/06/2013
<b>1. Segment Revenue</b>		
Net Sale/Income from each segment (including other operating income and other income)		
(a) Sugar	116.89	1032.60
(b) Construction	<u>1308.87</u>	<u>1367.85</u>
<b>TOTAL REVENUE</b>	<b>1425.76</b>	<b>2400.45</b>
<b>2. Segment Result</b>		
PBIT from each segment		
(a) Sugar	(223.31)	(502.84)
(b) Construction	229.50	626.40
Less:		
Interest expense	29.45	9.97
Interest income	—	—
Unallocable Expenditure	<u>(243.67)</u>	<u>(228.00)</u>
<b>TOTAL PBT</b>	<b>220.40</b>	<b>341.59</b>
<b>3. Capital Employed</b>		
Segment Assets – Segment Liabilities		
(a) Sugar	6311.88	5544.01
(b) Construction	<u>2001.03</u>	<u>2095.63</u>
<b>TOTAL</b>	<b>8312.91</b>	<b>7639.64</b>

**xii) Related Party Disclosures****a) Names of Related Parties****Associate Companies**

: Nopany Investments Pvt Ltd.  
Shruti Ltd.  
Eastern Sugar & Industries Ltd.  
Nopany & Sons Pvt. Ltd.

**Key Management Personnel**

: Directors of the Company

**Enterprises over which Key Management Personnel exercise significant influence**

: Nopany & Sons

**b) Loans due towards related parties:****Amount (Rs. in lacs) as on**

**30.06.2014      30.06.2013**

Nopany & Sons Pvt. Ltd	—	376.07
Eastern Sugar & Industries Limited	—	52.17
Nopany Investments (P) Ltd.	220.12	64.63
Shruti Limited	104.89	105.95
Nopany & Sons	26.35	490.19

**i) Remuneration to key managerial personnel**

Sri Bimal Kumar Nopany	12.50	17.50
------------------------	-------	-------

**xiii) Basis for Calculation of Basic and Diluted Earnings per share in terms of Accounting Standard-20 is as under (Rs. in lacs)**

	<b>30.06.2014</b>	<b>30.06.2013</b>
Profit after Tax as per Profit & Loss Account	217.84	338.44
Weighted Average No. of Equity Shares	185.00	172.50
Basic & Diluted Earnings per Share	1.18	1.96

xiv) Figure's of Previous Year have been re-arranged and re-grouped wherever considered necessary.

As per our report of even date

For **Agarwal Gupta Nokari & Rustagi Associates**

Chartered Accountants

F.R. No. 310041E

**CA Bhal Chandra Khaitan** (Partner)

Membership No. 017387

Place: Kolkata

Date: 27th August, 2014

For & on behalf of

**B.K. Nopany**

Managing Director

**R.K. More**

Executive Director

**L.K. Tibrawalla, P. Srivastava,**

**Ashok Kr. Sinha**

Directors

**R.K. Didwania**, Company Secretary

### **Share Application disclosure required in Balance Sheet**

There are specific disclosures required by the Revised Schedule VI for 'Share Application money pending allotment'. It has been also stated that share application money not exceeding the issued capital and only to the extent not refundable is to be included under 'Equity' and share application money to the extent refundable is to be separately shown under 'Other current liabilities'. Disclosures required regarding share application, whether included under 'Equity' or under 'Other current liabilities' are as under:

- (a) terms and conditions;
- (b) number of shares proposed to be issued;
- (c) the period before which shares are to be allotted;
- (e) whether the company has sufficient authorised share capital to cover the share capital amount on allotment of shares out of share application money;
- (f) Interest accrued on amount due for refund;
- (g) The period for which the share application money has been pending the period for allotment as mentioned in the share application form along with the reasons for such share application money being pending.

## M/s SHREE HANUMAN SUGAR & INDUSTRIES LIMITED

Reg. Office : 'Chandra Kunj', 4th Floor, 3 Pretoria Street, Kolkata – 700 071

### ATTENDANCE SLIP

Members or their proxies are requested to present this form for admission, duly signed in accordance with their specimen signatures registered with the Company.

DP Id		Client Id	
Regd. Folio No.		No. of Shares	

Name(s) and address of the shareholder in full \_\_\_\_\_

I/we hereby record my/our presence at the Annual General Meeting of the Company being held on Monday, 31st August, 2015 at 3.00 P.M. at the Registered Office of the Company at "ChandraKunj" 4<sup>th</sup> Floor, 3 Pretoria Street, Kolkata – 700 071

Please ( ☐ ) in the box

MEMBER    PROXY

\_\_\_\_\_  
Signature of Shareholder / Proxy

## M/s SHREE HANUMAN SUGAR & INDUSTRIES LIMITED

Reg. Office : 'Chandra Kunj', 4th Floor, 3 Pretoria Street, Kolkata – 700 071

### **FORM OF PROXY**

I/We \_\_\_\_\_ of \_\_\_\_\_ being a member of the above-named Company, hereby appoint \_\_\_\_\_ of \_\_\_\_\_ or failing him, \_\_\_\_\_ of \_\_\_\_\_ as my / our Proxy to attend and vote [on a poll]\* for me / us and on my / our behalf at the Annual General meeting of the Company, to be held on Monday, 31st August, 2015 at 3.00 P.M. at the Registered Office of the Company at "ChandraKunj" 4<sup>th</sup> Floor, 3, Pretoria Street, Kolkata – 700 071 or at any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2015

Reference Folio No.  
Number of Shares held  
DP ID & Client ID

Affix  
Revenue  
Stamp

#### **Notes:**

The Proxy, to be effective should be deposited at the Registered Office of the Company not less than Forty-Eight Hours before the commencement of the Meeting.

