

## INFORMATION MEMORANDUM

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## CHAPTER I

### COMPANY PROFILE

Name of the Company	<b>SHREE HANUMAN SUGAR &amp; INDUSTRIES LTD</b>
Registered Office Address	Chandra Kunj, 4th Floor, 3, Pretoria Street Kolkata 700071
Tel. Nos & Fax No. Email:	(033) 22821169 <a href="mailto:info@hanumansugar.com">info@hanumansugar.com</a> / <a href="mailto:shsil@nopany.in">shsil@nopany.in</a>
Names of regional stock exchange and other stock exchanges where listed, Years of listing and current status	BSE Ltd. CSE Ltd. (Regional Stock Exchange) Year of Listing – June 12, 1966 Current Status - Suspended
Signing with depositories ISIN no.	NSDL & CDSL INE101H01013
Name and contact details of compliance officer and Company Secretary	Name: Khushboo Doshi Company Secretary and Compliance Officer Membership No: A41084 Ph: (033) 22821183 Email: shsil@nopany.in
Email-id for Investor Grievances	mdpldc@yahoo.com
Date of Suspension and reason of suspension	BSE - 27/11/2015 CSE- 21/03/2014 Due to penal reason



## CHAPTER II

### CAPITAL STRUCTURE

Share Capital of the Company as at the date of filing of the Information Memorandum with BSE Ltd. is as set forth below:

Share Capital	Nominal Value (Rs. In Lakhs)	Aggregate Value (Rs. In Lakhs)
<b>(A) Authorized Share Capital</b>		
7,00,00,000 equity shares of Rs. 10/- each	7,000.00	7,000.00
<b>(B) Issued, Subscribed and Paid-Up Capital</b>		
1,85,00,000 Equity Shares of Rs.10/- each	1,850.00	1,850.00

Share Capital	Nominal Value (Rs. In Lakhs)	Aggregate Value (Rs. In Lakhs)
<b>(A) Listed Share Capital</b>		
1,85,00,000 Equity Shares of Rs.10/- each	1,850.00	1,850.00

### Share Capital History of the Company

Date of Allotment	No. of Shares Allotted	Face Value (Rs.)	Issue Price (Rs.)	Consideration	Reasons for Allotment	Cumulative Paid up Capital
January 19, 1932	300	100	100	Cash	Allotment to Promoters as subscribers to Memorandum	30,000
July 22, 1932	9,450	100	100	Cash	Further Allotment	9,75,000
November 10, 1932	250	100	100	Cash	Further Allotment	10,00,000
Sub-division of nominal value of Equity Shares of our Company from Rs. 100 per Equity Share to Rs. 10 per Equity Share vide EGM dated January 9, 1946						
September 20, 1947	50,000	10	10	Bonus	Bonus in the ratio of 1:4	15,00,000



June 13, 1949	50,000	10	10	Bonus	Bonus in the ratio of 1:3	20,00,000
May 23, 1951	50,000	10	10	Bonus	Bonus in the ratio of 1:4	25,00,000
July 23, 1962	1,00,000	10	10	Bonus	Bonus in the ratio of 2:5	35,00,000
June 16, 1966	2,75,000	10	10	Cash	Public Issue	62,50,000
October 31, 1994	13,75,000	10	45	Cash	Conversion of share warrants issued on preferential basis on 10.08.1994	2,00,00,000
March 27, 1995	10,00,000	10	45	Cash	Conversion of share warrants issued on preferential basis on 29.09.1994	3,00,00,000
December 28, 2005	72,00,000	10	10	Bonus	Bonus in the ratio of 12:5	10,20,00,000
June 30, 2009	58,00,000	10	20	Cash	Preferential allotment	16,00,00,000
November 11, 2012	25,00,000	10	16.05	Cash	Conversion of Debentures by way of Arbitration award	18,50,00,000
<b>Total</b>	<b>1,85,00,000</b>					

- No shares have been issued at discount nor any shares have been forfeited.
- There are no outstanding convertible instruments including warrants pending conversion



## CHAPTER III

### COMPANY MANAGEMENT

#### 1. BRIEF HISTORY, MAIN OBJECTS AND PRESENT BUSINESS OF THE COMPANY

<b>Name of the Company</b>	SHREE HANUMAN SUGAR & INDUSTRIES LIMITED
<b>Registered Address</b> <b>Telephone/Fax No.</b> <b>Email id</b>	Chnadra Kunj, 3, Pretoria Street, 4th Floor Kolkata – 700071 Phone : 033 22821169/70 Fax : 033 22821187/88 Email Id : <a href="mailto:info@hanumansugar.com">info@hanumansugar.com</a> <a href="mailto:shsil@nopany.in">shsil@nopany.in</a>
<b>Address of the Factory</b>	P.O. : Hanuman Sugar Mills Motihari – 845401 Dist : East Champaran BIHAR
<b>Company Website Address</b>	<a href="http://www.hanumansugar.com">www.hanumansugar.com</a>
<b>Name of all Directors</b>	Mr. Leonard Carvey Mr. Datta Ram Gill Ms. Shabnam Agarwal Mr. Bijan Aditya Mr. Chinmoy De
<b>Name of Whole Time Director</b> <b>Tel No, Email Id</b>	Mr. Leonard Carvey Ph : +91 9836043665 Email : shsil@nopany.in
<b>Name of Compliance Officer</b> <b>Tel No, Email Id</b>	Mrs. Khushboo Doshi Designation-Company Secretary (A41084) Ph : 033 22821169 Email : <a href="mailto:shsil@nopany.in">shsil@nopany.in</a>
<b>Brief Nature of Business</b> <b>Change of name in last five years</b>	<p>Company's main business was manufacturing of sugar at its Mill at Motihari, Bihar with a capacity of 2500 TCD. However, the Mill was closed due to various factors, which mainly included cost ineffectiveness due to old plant and machinery, financial crunch and labour unrest at the Mill. The Company also deals in construction rights.</p> <p>The management has taken a drive for making the unit operational and wants to undertake <b>up-gradation programme to make it cost effective at the cost of around 12.50 crores</b>. The up-gradation programme is planned to be part-financed out of Term Loan from Banks/Institutions.</p> <p>The up-gradation programme involves overhauling, up-gradation and addition of some balancing equipments to ensure immediate achievement of break-even point because of improvement in operational efficiency by way of high productivity, lower cost of production and improvement in quality of sugar, leading to higher sales realizations in the next five years.</p>



<b>Change in main line of Business in last five years</b>	There has been no significant change in the line of Business.
<b>Exchanges where the Company is listed indicating Regional Stock Exchange</b>	BSE Ltd. CSE Ltd. (Regional Stock Exchange)
<b>Scrip Code and ISIN nos.</b>	SCRIP CODE – 10029132 ISIN NO – INE101H01013
<b>Action taken against the company by any other exchange/SEBI in last five years</b>	SEBI has imposed a penalty of Rs 100000/- under the adjudicating proceedings under Regulations 13(6) of the PIT 1992 read with Regulation 12(2) of PIT 2015 vide order No – Order/BJD/BKM/2018-19/1408-1416. Dt. 15.10.2018. Payment made vide UTR no CBINH18318170607 on 09.11.2018.
<b>Details of reorganization, reconstruction or amalgamation in the company</b>	There has been no reorganization, reconstruction or amalgamation in the company.
<b>Details of Group/Subsidiary companies including stock exchanges where listed</b>	Name of the Group Companies 1. Eastern Sugar & Industries Ltd. (listed on BSE & NSE) 2. Nopany Investments Pvt. Ltd. 3. Shruti Ltd.
<b>Details of any commission, brokerage, discount or other special terms including an option for the issue of any kind of securities granted to any person</b>	There has been no commission or brokerage or discount paid or payable or other special terms for the issue of any kind of securities granted to any person.
<b>Details of dates of and parties to all material contracts, agreements, concessions and similar other documents ( except those entered into the ordinary course of business carried on)</b>	There are no agreement, contracts, concessions and similar arrangement with any party other than those in the ordinary course of business, except the agreements specified in the material contracts and documents.

## 2. Subsidiary(ies) of the company, if any

There are no Subsidiaries of the Company.

## 3. Names of Promoters and their background

### DETAILS OF PROMOTERS

**Name : Mr. Bimal Kumar Nopany**  
**PAN : ABRPN7296B**

Mr.. B.K. Nopany is a Commerce Graduate from Calcutta University and has more than 50 years experience in business, spreading over Sugar, Real Estate development, investments etc. He is Chairman of the Board of leading Academic Institutions in Calcutta.

**Name : Shruti Limited**  
**PAN : AADCS7585J**  
**CIN : U26941WB1963PLC025747**

Incorporated on the 31st January, 1963 as a Public Limited Company under the Companies Act, 1956 under the





name and style of **Mahalakshmi Cement & Industries Ltd.** Thereafter the name of the Company was changed to **Mahalakshmi Steel Corporation Ltd.**, vide fresh Certificate of Incorporation consequent to change of Name dated 18<sup>th</sup> April, 1964 issued by Registrar of Companies, West Bengal, Calcutta. Again the name of the Company was changed to **Shruti Ltd.**, vide fresh Certificate of Incorporation consequent to change of Name dated 13<sup>th</sup> January 1978 issued by Registrar of Companies, West Bengal, Calcutta.

Shruti Ltd. is a NBFC Company Registration No. being 05.01297, engaged in the business of investments in shares, Debentures and other securities. Shruti Limited is a closely held public limited company.

#### 4. Details of Auditors, Legal Advisors and KMP's along with their designations

##### i. Auditors and Legal Advisors

Particulars	
<b>Statutory Auditors</b>	M/s Saraf Manoj & Co 5/9, Tobacco House 1, Old Court House Corner, 5 <sup>th</sup> Floor Kolkata – 700 001  Appointed M/s Saraf Manoj & Co. w.e.f 22.10.2018 to fill-up casual vacancy caused by resignation of previous auditors on account of pre-occupations and the appointment was approved by the Shareholders as their meeting held on 25.09.2019.
<b>Legal Advisors of the company</b>	Legal Option 109 Indra Prakash Building 21 Barakhamba Road New Delhi-110001  1st Floor, Gate No. 2, Centre Point, 21 old Court House Street, Kolkata-700001
<b>Change in Directors/Management and auditors during last one year, and reasons thereof</b>	There has been no change in the Directors and/or the Management and auditors during last one year. except  i) Mr. Datta Ram Gill (DIN: 03366342) was appointed as an additional director w.e.f 17th August, 2020. ii) Mr. Raj Kumar More vacate the office of directorship of the company w.e.f 17 <sup>th</sup> August, 2020. iii) Mr. Bimal Kumar Nopany ceased to be Chief Executive officer (CEO) of the Company w.e.f. 20 <sup>th</sup> August, 2020. iv) Mr. Datta Ram Gill was appointed as a Non-executive director of the Company w.e.f. 17 <sup>th</sup> August, 2020. v) Mr. Lakshimikant Tibrawalla resigned from the post of directorship of the Company w.e.f 1st October, 2020. vi) Mr. Leonard Carvey has appointed as Whole Time Director of the Company w.e.f 11th November, 2020. vii) Mr. Bijan Aditya has appointed as Non-Executive Additional Independent Director of the Company w.e.f 29th December, 2020. viii) Mr. Chinmoy De has appointed as Non-Executive Additional Independent Director of the Company w.e.f 8th February, 2021. ix) Mr. Om Prakash Lundia resigned from the post of Chief Financial Officer of the Company w.e.f 01/04/2021



## ii. Key Managerial Persons

Name of the KMP	Designation	DIN (if applicable)
Mr. Leonard Carvey	Whole Time Director	08958275
Ms. Khushboo Doshi	Company Secretary/Compliance Officer	NA

## iii. Board of Directors

The Board of Directors of the Company comprises of the following persons:

Name of the Director	Designation	Status
Mr. Leonard Carvey	Whole-time Director	Executive Director
Mr. Datta Ram Gill	Director	Non- Executive Non Independent Director
Ms. Shabnam Agarwal	Independent Director	Non- Executive Independent Director
Mr. Bijan Aditya	Independent Director	Non- Executive Independent Director
Mr. Chinmoy De	Independent Director	Non- Executive Independent Director

## 5. Rights of Members regarding voting, dividend, lien on shares and the process for modification of such rights and forfeiture of shares.

**Voting-** Subject to any rights or restrictions for the time being attached to any class or classes of shares, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.

1. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.

2. (i) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

(ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

3. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.

4. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.

5. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.

6. (i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.

(ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

**Dividend-** The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

**Lien on shares-** The Company shall have a first and paramount lien—

(a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and





(b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company:

Provided that the Board of directors may at any time declare any share to wholly or in part exempt from the provisions of this clause.

(ii) The company's lien, if any, on a share shall extend to all dividend bonuses declared from time to time in respect of such shares.

**Forfeiture of shares-** If a member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.

#### **7.Restrictions, if any, on transfer and transmission of shares/debentures and on their consolidation/splitting**

There are no restrictions on transfer and transmission of shares/debentures and on their consolidation/splitting.

#### **8. Revaluation of assets, if any (during last five years)**

There has been no Revaluation of assets during the last five years.

#### **9. Material contracts and inspection of documents**

Material contracts agreement and documents are available for inspection at the Registered Office of the Company.

#### **10. No of Employees**

There are 164 employees (7 employees in Registered Office) including permanent and seasonal staff & workers

#### **11. Latest Shareholding Pattern**

Shareholding Details (latest as on 30.06.2021)	No. of shares	% of total share-holding	No of shares in demat	Whether 100% in demat for Promoter and 50% in demat for Public	No of Shares Pledged	% of pledged shares
Promoter and Promoter Group	3385662	18.30	3385662	100	Nil	Nil
Public Shareholding	15114338	81.70	12976865	85.86	Nil	Nil
Shares held by custodians against DRs issued by the company	Nil	Nil	Nil	Nil	Nil	Nil
<b>TOTAL</b>	<b>18500000</b>	<b>100.00</b>	<b>16362527</b>	<b>88.45</b>	Nil	Nil



## CHAPTER IV

### BUSINESS

#### **Sugar**

Company's main business was manufacturing of sugar at its Mill at Motihari, Bihar with a capacity of 2500 TCD. However, the Mill was closed due to various factors, which mainly included cost ineffectiveness due to old plant and machinery, financial crunch and labour unrest at the Mill. The Company also deals in construction rights.

The management has taken a drive for making the unit operational and wants to undertake up-gradation programme to make it cost effective at the cost of around 12.50 crores. The up-gradation programme is planned to be part-financed out of Term Loan from Banks/Institutions.

The up-gradation programme involves overhauling, up-gradation and addition of some balancing equipments to ensure immediate achievement of break-even point because of improvement in operational efficiency by way of high productivity, lower cost of production and improvement in quality of sugar, leading to higher sales realizations in the next five years.

#### **Real Estate**

SHSIL, has more than four and a half decades of experience in real estate development. The Company has been into the real estate division in a small way but it has made good profits in all its projects. The company has developed few properties in and around Kolkata and proposes to develop more properties.

#### **Upgradation and Diversification Initiative Sugar**

The management is focused to implement the desired resumption of the Sugar Unit at the earliest possible time. However, the management is of the view to take minimum risk by incurring capital expenditure and enhance the plant capacity steadily out of its own operational cash flows. Looking into the future prospects of the Sugar Industry, management's long term experience, infrastructure facilities already set-up at its reacquired Sugar Mill and locational advantages the Mill enjoys, it is opined that enhancement in Company's Sugar Plant capacity upto 15000 TCD in due course will be viable and will ensure optimum utilization of its infrastructure facilities, leading to economies of scale, enlarged sales volume and higher profitability.



## CHAPTER V

### LITIGATIONS

**Litigations outstanding pertaining to –**

<p>Matters likely to affect operation and finances of the company including disputed tax liabilities of any nature</p>	<p>There are no matters pending which are likely to affect the operation of the company except the disputed income tax liability aggregating to Rs 16,47,34,345/- for last ten years. Appeals are pending.</p>
<p>Criminal prosecution launched against the company and the directors for alleged offences</p>	<p>A criminal case is pending at the lower court relating to the workers agitation in the Plant site.</p>
<p>Particulars of default, if any, in meeting statutory dues, institutional dues, and towards instrument holders like debentures, fixed deposits, and arrears on cumulative preference shares etc.</p>	<p>There are no defaults against instrument holders like debentures, fixed deposits and arrears on cumulative preference shares etc. There are no institutional dues. The statutory dues of Provident Fund is yet to be ascertained.</p>



## CHAPTER VI

### FINANCIAL INFORMATION

Financial performance for last 3 years

Financial performance for last 3 years	Rs. in lacs		
	March 21	March 20	March 19
Sales/ Income from Operation	2.04	150.00	---
Other Income	19.44	4.28	129.23
Total Income	21.48	154.28	129.23
Expenditure	68.58	209.40	208.70
Profit/(Loss) before Tax	(47.10)	(55.12)	(79.47)
Provision for Tax	Nil	Nil	Nil
Profit/(Loss) after Tax	(47.10)	(55.12)	(79.47)
Equity Share Capital	1850	1850	1850
Acc. Profit / (loss)	117.16	164.26	219.38
Networth (as per formula prescribed under the ICDR Regulations 2009)		Rs. 8502.97/-	



## CHAPTER VII

### RISK FACTORS

#### 1. Risk from Business Operation of Shree Hanuman Sugar Factory Company Limited (“SHSIL”)

##### 1.1 Risk Factors from Raw Material Sourcing

SHSIL produces and distributes raw sugar which use sugarcane as a main raw material. However, SHSIL does not own sugar cane farm, thus to allocate sufficient sugar cane for crushing is the most important factor affecting the operations and the performance of the Company. The quantity of sugar cane available each season is depended on the same in factors:

- (a) The risk from changes of the amount of planting areas which may cause by the decrease of the sugar cane price affecting to the farmers to grow other agricultural plants that gain the higher price instead or the government supporting policy to appropriately allocate the planting zone, also known as zoning. Nevertheless, Utter Pradesh, the nearby State is one of the pioneer areas for sugarcane plantation.
- (b) The risk from Climate change, rainfall, irrigation, soil fertility, sugar cane varieties and other sugarcane diseases affects to the croppy field of sugar cane per Rai. The change so far each factor can cause agricultural output diminution.
- (c) The risk from sugar cane varieties. The Company has carefully chosen sugar cane varieties which are appropriate for the plantation areas and also provide the sugar cane varieties testing area for the selection of new sugar cane variety in order to replace deteriorated ones to provide higher croppy field and sugar per ton as well as the higher returns for farmers.
- (d) The risk from the purchasing competition of local sugar cane. If other sugar factories in local areas offer higher price of sugar cane than SHSIL's, the farmer may trade their sugarcane to those factories instead therefore the amount of cane crush will be decreased respectively.

##### 1.2 Risk from Fluctuation in Global Sugar Market Prices

Regarding to sugar trading in global market, sugar is one of the agricultural products which have the highly price fluctuation compared to the agricultural products. The fluctuation in global sugar market price depends on demand and supply of manufacturing and consuming countries, the export and import volume in each country, the arbitrage by arbitrageurs in commodity market and the proper climate for planting in each countries which issued the support policies, trade invention policies, export and import policies of sugar industry group from government especially for developed countries. Furthermore, sugar price currently corresponds to fuel price since cane juice and molasses can be used to produce than of which can be mixed with oil for automobile fuel. The factors as mentioned above affect to the fluctuation in global sugar market prices.

Never the less, the main cost of sugar production is sugar cane price which is changed according to the revenue of the Company. (70:30 Profit Sharing System set up by That government and regulated by the Office of the Cane and Sugar Board). Therefore, if the global sugar market prices decrease, the sugar cane cost will be decreased in the ratio as of 70% pursuant to the Profit Sharing System which can minimize the effects of sugar price fluctuation.



In the past, the operating results of the Company depends on the business of sugar and molasses only which means that the fluctuation of global sugar market price has the influence on the operating results of the Company definitely. However, in order to minimize this effect, the Company aims to invest in many projects which relate to the developed and value-added business from sugar and by products particularly, molasses for instance, biomass power plant by using biogases and cane trash as the main raw material for fertilizer production and distribution business.

### **1.3 Risk from Non-Performing Loans on Sugar cane Advance Payment Loans**

SHSIL supports the sugar cane farmers by providing the sugarcane advance payment loans in individual planting areas according to each step of crop-growth period by using the data base and GPS (Global Position System) to survey the plantation in order to assure that each area is exactly supported and monitored appropriately. The support from sugar cane advance payment loans is paid by post-dated cheques that the farmers shall spend the investment in term of sugar cane variety, land, watering system, fertilizer and soon. This kind of advance payment loan is similar to the reservation of sugar cane in advance which is that the farmers who are provided the advance payment loans have to sell the sugar canes only to the Company after harvesting, in the period of cane crushing season. Those farmers shall harvest and send to the Company accordingly, after that the Company will pay the returns to the farmers by deducting from the sugar cane advance payment loan. As the result, the Company has the risk from this kind of non-performing loan if the farmers cannot send the crops as engaged which may be caused by the drought or plant diseases and soon. Therefore, if the expense from the doubtful accounts increases, the operating results of SHSIL shall be affected directly.

### **1.4 Risk from Governmental Control**

#### **1.4.1 Risk from Government Policy**

The sugar cane and sugar industry in Thailand is regulated by the Government and various Laws. Therefore, the price adjustment in the domestic sale, the regulation changes or the amendment of Act shall significantly affect to operating results of the Company as well as other companies in the sugar industry.

Nevertheless, the sugar cane and sugar industry is the agricultural industry as well as a primary industry of food and beverage and also the export industrial crop. The regulations and policies issued by the government in the past aim to develop the industry in country including the farmers' lives as well as sugar factory economic status therefore it can be convinced that the regulations which may be changed are likely the positive supporting policies on industry, farmers and sugar factories.

#### **1.4.2 Risk from the Fluctuating Income from Sugar Sales**

According the cane crushing period is in the period of November to April, the Company gradually sells sugar since December until January to the end of cane crushing season. Nevertheless, the amount of sugar sale in each quarter year over year is different therefore the income from sugar sales in each quarter shall be fluctuated according to these factors as mention



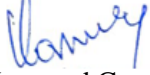


## CHAPTER VII

### DECLARATION

No statement made under this Information Memorandum contravenes any of the provisions of Companies Act 2013, as may be applicable and the rules made thereunder. All the legal requirement connected with the listing /revocation of suspension of trading in equity of shares of our company and also the guidelines, instructions etc. issued by SEBI, Government and any other competent authority in this behalf have been duly complied with. All information contained in this document is true and correct.

For Shree Hanuman Sugar & Industries Limited



Leonard Carvey  
Whole Time Director

Date: 17.08.2021

