



EASTERN SUGAR & INDUSTRIES LIMITED

ANNUAL REPORT 2018-19

CHAIRMAN

Bimal Kumar Nopany

DIRECTORS

S. J. Goswami - Whole Time Director

R. C. Jha

C. K. Garodia

R. Vaswani

CHIEF FINANCIAL OFFICER

Ajay Kumar Kabra

COMPANY SECRETARY

Priyanka Mundhara

REGISTERED OFFICE :

Hanuman Sugar Mills

P.O. Motihari

Dist. East Champaran

Bihar - 845 401

REGISTRAR & SHARE TRANSFER AGENT

M/s Maheshwari Datamatics Pvt. Ltd.

23 R.N. Mukherjee Road, 5th Floor, Kolkata 700 001

Phone : (033) 2248 2248 / 2243 5029

Fax : (033) 2248 4787

STATUTORY AUDITORS

M/s. Saraf Manoj & Co.

Chartered Accountants

Tobacco House

1, Old Court House Corner

Suite No. 519, 5th Floor

Kolkata 700 001

**NOTICE**

Notice is hereby given that the Annual General Meeting of the Members of **EASTERN SUGAR & INDUSTRIES LIMITED** will be held on **WEDNESDAY, THE 18th SEPTEMBER, 2019 AT 12.00 P.M.** at the Registered Office of the Company at **HANUMAN SUGAR MILLS, P.O. MOTIHARI, DIST. EAST CHAMPARAN, BIHAR-845401** 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 31st March, 2019 and the reports of the Board of Directors (the Board) and the Auditors thereon.
2. To appoint Director in place of Mr. B. K. Nopany, who retire by rotation and being eligible has offered himself for re-appointment.
3. To ratify the appointment of Auditors and to fix their remuneration and for the purpose to consider and, if thought fit, to pass with or without modification, the following resolution:

“RESOLVED THAT, pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Rules made there under, **M/S. SARAF MANOJ & CO, CHARTERED ACCOUNTANTS**, were appointed as Auditors of the Company, for a period of five (5) years until the conclusion of fifth consecutive Annual General Meeting, which is to be held in the financial year 31.03.2022 which was subject to ratification at every AGM be and is hereby ratified to hold the office from the conclusion of this AGM till the conclusion of the AGM for financial year ended 31.03.2020, on such remuneration as shall be fixed by the Board of Directors in consultation with the Auditors.

By order of the Board
For **Eastern Sugar & Industries Limited**
Shirish Goswami
Wholetime Director

Place : Kolkata
Dated : 30th July 2019

**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 authorizing 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. 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.
5. The Register of Members and Share Transfer Books of the company will remain closed from Thursday, September 12, 2019 to Wednesday, September 18, 2019 (both days inclusive).
6. 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.
7. **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.**
8. 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.

9. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company.
10. 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.
11. Non-Resident Indian Members are requested to inform the Registrar, immediately change in their residential status on return to India for permanent settlement.
12. The Members attending the General Meeting are requested to bring enclosed attendance slip, duly filled in.
13. 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.
14. Details under Regulation 27 (2) -of the SEBI Listing Regulations 2015 (LODR), 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.
15. Electronic copy of the Annual Report for the year 2018-19 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 2018-19 is being sent in the permitted mode.
16. 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.
17. Members may also note that this Notice and the Annual Report for the year 2018-19 will also be available on the Company's website www.easternsugar.in for their download.
18. Location of the venue of AGM is Registered Office of the Company, near Bariarpur village. more details of venue is given on the website at <http://www.easternsugar.in/public-announcements.html>

19. Voting through Electronic means:

I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the ensuing Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).

II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.

III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

IV. The remote e-voting period commences at 9:00 A.M. on Sunday, 15th September, 2019 and ends at 5:00 P.M. on Tuesday, 17th September, 2019. During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Wednesday, September 11, 2019, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

V. The process and manner for remote e-voting are as under:

A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)]:

(i) Open email and open PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.

NOTE: Shareholders already registered with NSDL for e-voting will not receive the PDF file "remote e-voting.pdf".

(ii) Launch internet browser by typing the following URL:

<https://www.evoting.nsd.com/>

(iii) Click on Shareholder - Login

(iv) Put your user ID and password. Click Login.

(v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.

(vii) Select "EVEN" of Eastern Sugar & Industries Limited

(viii) Now you are ready for remote e-voting as Cast Vote page opens.

(ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.

(x) Upon confirmation, the message "Vote cast successfully" will be displayed.

(xi) Once you have voted on the resolution, you will not be allowed to modify your vote.

(xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to scrutinizer@gmail.com with a copy marked to evoting@nsdl.co.in

B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy]

(i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM :

EVEN (Remote e-voting Event Number) USER ID PASSWORD/PIN

(ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.

VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.

VII. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.

NOTE: Shareholders who forgot the User Details/Password can use "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com.

In case Shareholders are holding shares in demat mode, USER-ID is the combination of (DPID+ClientID).

In case Shareholders are holding shares in physical mode, USER-ID is the combination of (Even No+Folio No).

VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

IX. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of Wednesday, September 11, 2019.

X. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. Wednesday, September 11, 2019, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/RTA.

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.

XI. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.

XII. 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 well as voting at the AGM through ballot paper.

XIII. Mr. B. K Sethia, Chartered Accountant (Membership No.063033) has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.

XIV. The Chairman shall, at the AGM at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" or "Poling Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

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

XVI. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.hanumansugar.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Stock Exchange at which Company's Shares are listed.



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

Particulars	Mr. B. K. Nopany
Date of Birth	26/04/1943
Date of Appointment	30/06/1995
Qualifications	B.Com
Expertise in specific functional areas	Mr. B. K. Nopany has more than 50 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.
Directorships held in other companies (excluding foreign companies)	1. Indo Austro Corporation Pvt. Ltd. 2. Shruti Spinniners Ltd. 3. Shree Hanuman Sugar & Industries Ltd. 4. Super Scan & System Pvt. Ltd 5. Nopany & Sons Pvt. Ltd. 6.NIPL ASHA Construction and Renovation LLP
Memberships Chairmanships of committees of other companies (includes only Audit Committee and Shareholders/Investors Grievance Committee)	1.Shree Hanuman Sugar & Industries Ltd
Number of shares held in the Company	402865

Registered Office:
Hanuman Sugar Mills
P.O. Motihari, Dist. East Champaran
Bihar 845 401
E-mail: esil@nopany.in
CIN: L15421BR1964PLC006630
Date: 30th July 2019

By Order of the Board
For EASTERN SUGAR & INDUSTRIES LIMITED
Shirish Goswami
Wholetime Director



DIRECTORS' REPORT

TO
THE MEMBERS

Your Directors have pleasure in presenting the Annual Report and the Audited Accounts of the Company for the financial year ended 31st March 2019

FINANCIAL RESULTS	(Rs. in lacs) 2018-19	(Rs. in lacs) 2017-18
Sales & Other Income	----	----
Profit/(Loss) before Interest, Depreciation and Tax	(124.48)	(19.60)
Less: Depreciation	----	----
Profit / (Loss) before tax	(124.48)	(19.60)
Less, Provision for tax	----	----
Profit / (Loss) after tax	(124.48)	(19.60)
Add: Balance brought forward from previous year	876.33	895.93
Profit available for appropriation	751.85	876.33
Balance carried to Balance Sheet	751.85	876.33

OVERVIEW:

No Income, during the year under review, Profit/(Loss) after Tax amounting to Rs.(124.48) lacs as against (19.60) lacs in the previous financial year.

Presently the company is mainly engaged in trading activities apart from earning income from Block Usage Charges from its fixed assets useful in sugar mill. The Company is in the process of exploring new business activities in the coming years.

PRESENT CONSTRUCTION ACTIVITIES AND FUTURE PROGRAMMES:

The Company has not undertaken any major construction project. Presently, it has very small construction activities which mainly include purchase and sale 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.

MATERIAL CHANGES AND COMMITMENTS

No material changes and commitments have occurred after the close of the Financial year 2018-19 till the date of this Report, which affect the financial position of the Company.

DIVIDEND:

Your Directors do not recommend any dividend for the year in view of net loss.

FIXED DEPOSITS:

During the year under review, the Company has not accepted any deposits from the public and that as at the end of the year there were no outstanding deposits under Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

RESERVE FUND

The company has not transferred any amount in General Reserve Account.

INTERNAL FINANCIAL CONTROL

The Company has in place adequate internal financial controls with respect to financial statements. The policies and procedures adopted by the Company ensure prevention and detection of frauds and errors, accuracy and completeness of the records and timely preparation of reliable financial statements. No reportable material weakness in the design or operation was observed during the year.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the financial year under review -there was no changes in among the directors and KMP of the Company;

- Mr. B. K. Nopany (DIN: 00694221) retire by rotation at the conclusion of ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

DECLARATION BY INDEPENDENT DIRECTORS

The Company has received declaration from all the Independent Directors of the Company, confirming that they meet the criteria of independence, as prescribed under the Companies Act, 2013 and the Listing Regulations.

PERFORMANCE EVALUATION

The Company has framed the criteria for performance evaluation of Independent Directors, the Board, the Board Committees and other individual Directors. Criteria for performance evaluation of the Chairman & Managing Director, Executive Director and Non-Independent Director have also been framed. The criteria for performance evaluation of Directors among others includes factors such as preparation, participation, engagement, personality and conduct, value addition, strategic planning and vision, team spirit and consensus building, leadership quality, understanding and focus on key business issues, independent thinking and judgment, quality of analysis, experience and business wisdom, management qualities, awareness, motivation, integrity, ethics and receptivity. The criteria for evaluating the Board's functioning/effectiveness inter alia includes its structure, strategic review, business performance review, internal controls, process and procedures. On the basis of the criteria framed, a process was followed by the Board for evaluating the performance of individual Directors, its own performance and its Committees. The Nomination and Remuneration Committee also evaluated the performance of every individual Director. The Independent Directors in their separate Meeting also carried out the performance evaluation of the Chairman & Managing Director, Executive Director and other non-independent Director as well as the Board of the Company. The Directors expressed overall satisfaction on the performance and functioning of the Board, its Committees and the Directors.

FAMILIARISATION PROGRAMMES

The details of programmes to familiarise the Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model/procedures/processes of the Company, etc. through various programmes are put on the website of the Company and can be accessed at the link: www.hansugar.com

NUMBER OF MEETINGS OF BOARD OF DIRECTORS:

During the Financial Year 2018-19, the Company held 5 (Five) Meetings of the Board of Directors. The details of the Meetings and attendance of each of the Directors there at are provided in the Report on Corporate Governance forming part of the Annual Report. The maximum gap between any two consecutive Board Meetings did not exceed 120 days.

AUDIT COMMITTEE

The Audit Committee comprised Mr. C. K. Garodia as Chairman and Mr. R. C. Jha and Ms. Ratna Srivastava as its members. The terms of reference of the committee have been provided in the Corporate Governance Report.

STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee of the Company comprises of three Directors under the chairmanship of Ms. Ratna Srivastava. The other members in the committee being, Mr. B.K. Nopany and Mr. C. K. Garodia. The terms of reference of the committee have been provided in the Corporate Governance Report.

NOMINATION & REMUNERATION COMMITTEE

The Nomination & Remuneration Committee comprises of three members, viz., Mr. C. K. Garodia as Chairman and Mr. R. C. Jha, Ms. Ratna Srivastava as member.

The Nomination & Remuneration Committee shall identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria lay down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance. The terms of reference of the committee have been provided in the Corporate Governance Report.

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

REMUNERATION POLICY

The Board has, on the recommendation of the nomination & remuneration Committee framed a policy for selection and appointment of Directors, senior management and their remuneration.

MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis is a part of the Annual Report.

SUBSIDIARIES, JOINT VENTURE COMPANIES

There are no companies which have become or ceased to be its Subsidiaries, Joint Ventures or companies during the year.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the Note No 10 & 11 to the Financial Statement

CONTRACT AND ARRANGEMENT WITH RELATED PARTIES:

All contracts or arrangements with related parties entered into or modified during the financial year were in the ordinary course of business. All such contracts or arrangements have been approved by the Audit Committee. No material contracts or arrangements with related parties were entered into during the year under review. Accordingly, no transactions are being reported in Form No. AOC-2 in terms of Section 134 of the Act read with Rule 8 of the Companies

VIGIL MECHANISM

The Company promotes ethical behavior in all its business activities and has put in place a mechanism of reporting illegal or unethical behavior. In compliance with the provisions of Section 177(9) of the Companies Act, 2013 and the Listing Regulations, 2015, the Company has in place a Whistle Blower Policy for its Directors and Employees to report concerns about unethical behavior, actual or suspected

fraud or violation of applicable laws and regulations and the Company's Codes of Conduct. The concerns may be reported to the Audit Committee through the Nodal Officer and, in exceptional cases, may also be reported to the Chairman of the Audit Committee. The confidentiality of those reporting violations is maintained and they are not subjected to any discriminatory practice. During the year under review, no employee was denied access to the Audit Committee.

The Whistle Blower Policy may be accessed on the Company's website at the link: <http://www./WhiBlo.pdf>

CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION AND ANALYSIS:

The Company adheres to good governance practices. Corporate Governance at the Company extends to all stakeholders and is embodied in every business decision. The Company places prime importance on reliable financial information, integrity, transparency, empowerment and compliance with the law in letter and spirit. Management Discussion and Analysis Report, the Corporate Governance Report and the Certificate from the Auditors of the Company confirming compliance of the conditions of Corporate Governance are annexed hereto and form a part of the Directors' Report.

There is a conscious effort to ensure that the values enshrined in the Codes of Conduct for the Directors and Senior Management Personnel and the Employees respectively, are followed in true spirit across all levels of the Company.

EXTRACT OF ANNUAL RETURN:

An extract of Annual return as on the financial year ended on March 31, 2019 in Form MGT-9 as required under Section 92(3) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, is set out as an Annexure to the Directors' Report and form part of this Annual Report.

AUDITORS AND AUDITORS' REPORT

M/S. SARAF MANOJ & CO, CHARTERED ACCOUNTANTS, were appointed as Auditors of the Company, for a period of five (5) years until the conclusion of fifth consecutive Annual General Meeting, which should be held in the year of 2022, was subject to ratification at every AGM. A proposal for ratification of the appointment of the Statutory Auditors for the Financial Year 2019-20 is placed before the Members at the ensuing AGM. The said Auditors have given their eligibility certificate in terms of Section 139 of the Companies Act, 2013.

Observation of the Auditors M/s Saraf Manoj & Co., Chartered Accountants on the financial statement of the company are the following :

AUDITORS REMARKS	OUR COMMENT
Non compliance of sections 194-A, 192 & 192-J, of Income Tax Act, 1961 with respect to TDS on interest other than Interest on Securities, Salary, & Fee for professional & Technical Services respectively. The TDS on above have not been deducted and deposited in time.	The Sugar factory has not been in operation for last 5 consecutive seasons, hence the normal working and availability of data is affected, and the Company has not able to deducted the TDS.
Non compliance of generally accepted accounting principles in accounting of Gratuity, Leave liabilities towards employees, bonus, Professional Taxes, Trade License Fees, Interest and penalty on delayed deposit of TDS & income from interest on securities and other deposits as they are accounted for on cash basis.	Due to non-working in the factory there has been no access to the records of the employees. Initiative has been taken for the updating of the records and thereafter the estimation can be made.

The Company has not provided depreciation on its Fixed Assets for the period covered under this audit. The Company has also not provided depreciation on transition to Schedule – II of The Companies Act, 2013.	The Sugar factory has not been in operation for last 5 consecutive seasons, hence the normal working and availability of data is affected. Due to no access of data, company has been unable to ascertain exact amount of depreciation.
Due to operational difficulties, company has suspended its operation of Cane Crushing since Fy 2004-05 & incurred a net loss of 124.48 lacs during the year ended 31.03.2019 and also in preceding previous year . Therefore as per our view the financial statements for the FY 18-19 should be prepare on Non-Going Concern Basis.	Presently the company is mainly engaged in trading activities apart from earning income from Block Usage Charges from its fixed assets useful in sugar mill. The Company is in the process of exploring new business activities in the coming years

FRAUD REPORTING

During the year under review, the Auditors have not reported any matter under Section 143 (12) of the Companies Act, 2013, therefore no detail is required to be disclosed under Section 134 (3) (ca) of the Act.

SECRETARIAL AUDITORS & REPORT

Your Company appointed CS Meena Chowdhary, Practising Company Secretary, (Membership No. - ACS 41084 and Certificate of Practice No. 16829) as the Secretarial Auditor of your Company for F.Y.-2018-19 to conduct the Secretarial Audit pursuant to Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The Secretarial Audit Report for the financial year ended March 31, 2019 is annexed as Annexure and forms part of the Report.

Observations of the Secretarial Auditor are self explanatory and do not call for any further comments.

BUSINESS RISK MANAGEMENT

The main identified risks at the company are commercial risks, financial risks, operational risks and legal & regulatory risks. Your company has established a comprehensive risk management system to ensure that risk to the company's continued existence as a going concern and to its development are identified and addressed on timely basis. Risk management strategy as approved by the board of directors is implemented by the company management.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGOING

As the manufacturing operation of the Company has been discontinued long ago, and since the company doesn't have any manufacturing facilities and is not engaged in the manufacturing activity, the prescribed information regarding compliance of rules relating to conservation of Energy and Technology absorption pursuant to Section 134 (3) (m) of the Companies Act, 2013, read with Rule – 8 (3) of the Companies (Accounts) Rules, 2014 is not provided.

The Company does not have any Foreign Exchange Earnings and outgo in the year under review.

EMPLOYEES INFORMATION AND RELATED DISCLOSURES

As required under Section 197(12) of the Companies Act, 2013 read with the Rules 5(1), 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, disclosures of remuneration and other details/particulars of the Directors and employees of the Company are provided in the Corporate Governance Report.

DIRECTOR'S RESPONSIBILITY STATEMENT

Your Directors confirm that:

- i. In the preparation of the Annual Accounts for the year ended 31st March, 2019, 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, 2013 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.
- v. The Directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Company is committed to provide and promote a safe, healthy and congenial atmosphere irrespective of gender, caste, creed or social class of the employees. During the year under review, there was no case file pursuant to the Sexual Harassment of Women at workplace (Prevention, Prohibition And Redressal) Act, 2013.

COMPLIANCE WITH SECRETARIAL STANDARDS

The Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

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 31st March, 2019, 14065600 equity shares representing 48.25% of your Company's Equity Share Capital have been de-materialised

LISTING AT STOCK EXCHANGE:

The Shares of the Company are listed on Bombay Stock Exchange, Mumbai and National Stock Exchange of India Ltd.

However, trading of shares of the Company at the Bombay Stock Exchange, Mumbai and National Stock Exchange of India Ltd. is suspended and efforts are being made for resumption of the same for which the revocation fee together with listing fee upto financial year 2019-20 has already been paid and revocation is awaited.

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 Depository Limited and Central Depository Services (India) Limited.

ACKNOWLEDGEMENT:

Yours 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.

For and Behalf of Board of Directors

Shirish Goswami
Wholetime Director

Chandan Kumar Garodia
Director

Date: 30th July 2019

CORPORATE GOVERNANCE REPORT

INTRODUCTION

Your Company has complied with the provisions of Corporate Governance as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations, 2015").

A Report on the implementation of Corporate Governance by the Company as per the Listing Regulations, 2015 is given below.

I. COMPANY'S PHILOSOPHY 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. A director along with a team of professionals manages the day-to-day operations of the Company. The Non-Executive Directors 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. Since the Company has a Non-Executive Promoter Chairman, the Board's composition meets the stipulated requirement of at least one-half of the Board comprising independent Directors who have no professional and/or business relationship with the Company.

A. Composition of Directorships

The constitution of the Board as on March 31, 2019:

Non-executive Chairman - Mr. B. K. Nopany, Chairman & Non-executive Director

Promoter Director	Executive Director	Non-Executive Director and Independent Director
Mr. B.K. Nopany	Mr. S.J. Goswami	Mr. C. K. Garodia Mr. R. C. Jha Ms. Ratna Vaswani

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, Four (5) Board meetings were held on 24.05.18, 30.05.18, 14.08.18, 14.11.18, & 14.02.19. 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 was as under:-

Director	No. of Board meetings attended	Attendance at Last AGM
Mr. B. K. Nopany	5	Yes
Mr. S. J. Goswami	5	Yes
Mr. R. C. Jha	4	No
Mr. C. K. Garodia	5	Yes
Ms. Ratna Vaswani	4	No

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

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 & Non-executive Chairman	2	2	Nil

Mr. R. C. Jha	Independent & Non-executive	Nil	Nil	Nil
Mr. S. J. Goswami	Executive	1	Nil	Nil
Mr. C. K. Garodia	Independent & Non-executive	1	Nil	Nil
Ms. Ratna Vaswani	Independent & Non-executive	Nil	Nil	Nil

1 This excludes Directorship held in Indian Private Limited Companies, Foreign Companies, Companies under Section 8 of the Companies Act, 2013.

2 Committee refers to Audit Committee and Stakeholders Relationship Committee.

Notes

- None of the other Directors is related to any other Director on the Board.
- None of the Directors has any business relationship with the Company.
- The Company has a woman Director on its Board of Directors.
- None of the Directors received any loans and advances from the Company during the year.
- None of the Directors holds Directorships in more than the permissible number of companies under the Companies Act, 2013 or Directorships / Membership / Chairmanship of Board Committees as permissible under Regulations 25 and 26 of the Listing Regulations, 2015.
- All the Directors have Certified that they are not disqualified for appointment as a Director in any company.
- Additional information pursuant to the Listing Regulations, 2015 in respect of Director seeking appointment/re-appointment is given in the AGM Notice.

E. Responsibilities

The Board's prime concentration is on strategy, policy and control, delegation of power and specifying approvals that remain in the Board's domain besides review of corporate performance and reporting to shareholders. The Board and Management's roles are clearly demarcated.

The Management is required to:

- Provide necessary inputs to assist the Board in its decision making process in respect of the Company's strategies, policies, performance targets and code of conduct;
- Manage day-to-day affairs of the Company to achieve targets and goals set by the Board in the best possible manner;
- Implement all policies and the code of conduct as approved by the Board;
- provide timely, accurate, substantive and material information, including on all financial matters and any exceptions, to the Board and/or its Committees;
- Ensure strict compliance with all applicable laws and regulations; and
- Implement sound and effective internal control systems.

The management and the conduct of the affairs of the Company lie with the Managing Director who heads the management team.

F. Role of Independent Directors

The Independent Directors play an important role in deliberations and decision-making at the Board Meetings and bring to the Company wide experiences in their respective fields. They also contribute in significant measure to Board Committees. Their independent role vis-à-vis the Company means that they have a special contribution to make in situations where they add a broader perspective by ensuring that the interests of all stakeholders are kept in acceptable balance and in providing an objective view in instances where a (potential) conflict of interests may arise between stakeholders.

G. Meetings of Independent Directors

The Company's Independent Directors meet at least once in every financial year without the presence of Executive Directors or Management Personnel. During the year under review, one Meeting of Independent Directors was held on 20th February 2019, wherein the Independent Directors carried out the performance evaluation of the Chairman & Managing Director, Executive Director and other non-independent Director as well as the Board of the Company. The Meeting also assessed the quality, quantity and timeliness of the flow of information by the Management of the Company to the Board of Directors.

H. Familiarisation Programmes for Board Members

The Board Members are provided with necessary documents, reports and internal policies to enable them to familiarise with the Company's procedures and practices. Periodic presentations are made at the Board and Board Committees, on business and performance updates of the Company. Relevant statutory changes encompassing important laws are regularly made available to the Directors. Efforts are also made to familiarise the Directors about the Company, their roles, rights, responsibility in the Company, nature of the industry in which the Company operates, business model/procedures/processes of the Company, etc. through various programmes including plant visits. The details of the familiarization programmes for Independent Directors are put on the website of the Company and can be accessed at the link: www.easternsugar.in

I. Recording Minutes of Proceedings at Board and/or Committee Meetings

The Company Secretary records the minutes of the proceedings of each Board and Committee Meeting. Draft Minutes are circulated to all the members of the Board for their comments. The Minutes of proceedings of a Meeting are entered in the Minutes Book within 30 days from the conclusion of the Meeting.

J. Compliance

The Company Secretary while preparing the agenda, notes on agenda and minutes of the Meetings, ensures adherence to the applicable provisions of law including the Companies Act 2013, Secretarial Standards and the Listing Regulations, 2015.& Industries

K. BOARD PROCEDURES

The members of the Board have been provided with the requisite information as per the listing regulation 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, 2013.

III. BOARD COMMITTEES

To enable better and focused attention on the affairs of the Company, the Board delegates specific matters to its Committees. These Committees also prepare the groundwork for decision-making and report at the subsequent Board Meetings. No matter, however, is left to the final decision of any Committee, which under the law or the Articles may not be delegated by the Board or may require the Board's explicit approval. Minutes of the Committee Meetings are circulated to all Directors and discussed at the Board Meetings.

A. Audit Committee

The Audit Committee comprised Mr. C. K. Garodia as Chairman and Mr. R. C. Jha and Ms. Ratna Srivastava as its members. 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 Regulation 27(2) of the SEBI Listing Regulations 2015 (LODR).

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 Section 134 of the Companies Act, 2013;
 - Changes, if any, in accounting policies and practices and reasons for the same;
 - Major accounting entries involving estimates based on the exercise of judgment 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 29.05.18, 13.08.18, 13.11.18 & 13.02.19. Attendances of members at the meetings were as follows:

Name of Member	Status	No. of meetings attended
Mr.C. K. Garodia	Chairman	4
Mr. R. C. Jha	Member	4
Ms. Ratna Vaswani	Member	4

B. Stakeholders' Relationship Committee

The Share Transfer & Shareholders' Grievance Committee comprises of three Directors under the chairmanship of Ms. Ratna Srivastava. The other members in the committee being, Mr. B.K. Nopany and Mr. C. K. Garodia.

The committee has been constituted to specifically look into redressal of shareholders' grievances such as transfer, dividend, and 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.

Total number of letters and complaints received and replied to the satisfaction of shareholders during the year under review was Nil As on 31st March 2019, there are Nil complaints pending with the Company.

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.

C. Nomination & Remuneration Committee

The Nomination & Remuneration Committee comprises of three members, viz., Mr. C. K. Garodia as Chairman and Mr. R. C. Jha, Ms. Ratna Srivastava as member.

The Nomination & Remuneration Committee shall identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria lay down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.

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.

i.) Details of the remuneration to the Executive Director provided as per accounts for the year ended 31st March, 2019 are given below:

Executive Director	Salary*(Rs.)	Commission(Rs.)
Mr. S. J. Goswami	600000/-	Nil

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

ii. Details of the remuneration to the Non-executive Directors provided as per accounts for the year ended 31st March 2019 are given below:

Non-executive Director	Sitting Fee(Rs.)	Commission(Rs.)	Total(Rs.)
Mr. B. K. Nopany	Nil	Nil	Nil
Mr. R. C. Jha	Nil	Nil	Nil
Mr. C. K. Garodia	Nil	Nil	Nil
Mrs. Ratna Vaswani	Nil	Nil	Nil

D. Criteria for Appointment of Directors

In evaluating the suitability of a person and recommending to the Board his appointment as a Director of the Company, the Nomination and Remuneration Committee may take into account and ascertain factors such as:

- Personal and professional ethics, integrity and values
- Educational and professional background
- Willingness to devote sufficient time and energy in carrying out the duties and responsibilities effectively

E. Criteria for Performance Evaluation of Directors

The criteria for performance evaluation of Directors among others includes factors such as preparation, participation, engagement, personality and conduct, value addition, strategic planning and vision, team spirit and consensus building, leadership quality, understanding and focus on key business issues, independent thinking and judgment, quality of analysis, experience and business wisdom, management qualities, awareness, motivation, integrity, ethics and receptivity.

IV. GENERAL BODY MEETINGS

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

Year	Location	Date	Time
2014-15	Regd. Office.: Hanuman Sugar Mills, P. O. Motihari, Dist.: East Champaran, Bihar – 845 401	04.09.2018	12.00 P.M.
2016-17	Regd. Office.: Hanuman Sugar Mills, P. O. Motihari, Dist.: East Champaran, Bihar – 845 401	18.09.2017	12.00 P.M.
2015-16	Regd. Office.: Hanuman Sugar Mills, P. O. Motihari, Dist.: East Champaran, Bihar – 845 401	20.09.2016	12.00 P.M.

There was no resolution passed through Postal Ballot during the year under review. At the ensuing Annual General Meeting, there is no resolution proposed to be passed by Postal Ballot.

V. DISCLOSURES

a. Basis of related party transaction

Related parties transactions with them as required under Indian Accounting Standard 24 (IND AS-24) are furnished under Note No.18(ix) of the Notes to Accounts attached with the financial statement for the year ended 31st March, 2019. 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.

The Company has complied with all mandatory requirements of the Regulation 27(2) of the SEBI Listing Regulations 2015 (LODR). Further, the Company has also complied with the 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 provided on the Website of the Company. All Board members and senior management personnel have confirmed compliance with the Code for the year 2018-19. A declaration to this effect signed by the Executive Director 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 31st March, 2019; 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.

During the year, the Company has not raised any amount through Public Issue, Right

Issue, Preferential Issue, etc.

VI. SUBSIDIARY MOTORING FRAMEWORK

The Company has no subsidiary.

VII. MEANS OF COMMUNICATION

Immediately after the Board of Directors of the Company took note of Results for quarter ended 30th June, 2018, 30th September 2018, 31st December 2018, 31st March 2019 and Audited Annual Accounts, the same were informed to the National Stock Exchange and Bombay Stock Exchange Ltd. 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.

VIII. MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis is a part of the Annual Report.

IX. CEO AND CFO CERTIFICATION

As required under Regulation 17(8) of the Listing Regulations, 2015, the Whole time Director and the Chief Financial Officer of the Company have certified to the Board regarding review of financial statement for the year under review, compliance with the accounting standards and applicable laws and regulations, maintenance of internal control for financial reporting and accounting policies.

X. CODE OF CONDUCT

The Company has Codes of Conduct for its Directors and Senior Management Personnel as well as for its other Employees. The Codes of Conduct are available on the Company's website.

It is confirmed that all the Board Members and Senior Management Personnel of the Company have affirmed their compliance with the Company's Code of Conduct for Directors and Senior Management Personnel for the financial year 2017-18, as required under Regulation 26(3) of the Listing Regulations, 2015 and a declaration to this effect signed by the Chairman & Managing Director forms part of the Annual Report.

XI. WHISTLE BLOWER POLICY

In compliance with provisions of Section 177(9) of the Companies Act, 2013 and the Listing Regulations, 2015, the Company has in place a Whistle Blower Policy for its Directors and Employees to report concerns about unethical behavior, actual or suspected fraud or violation of applicable laws and regulations and the Company's Codes of Conduct. The concerns may be reported to the Audit Committee through the Nodal Officer and, in exceptional cases, may also be reported to the Chairman of the Audit Committee. During the year under review, no employee was denied access to the Audit Committee.

XII. COMPLIANCE OF MATTERS RELATED TO CAPITAL MARKETS

There has been no non-compliance, penalties or strictures imposed on the Company by Stock Exchanges or SEBI or any other Statutory Authorities, on any matter related to capital markets during the last three years.

XIII. COMPLIANCE CERTIFICATE OF THE AUDITORS

The Statutory Auditors' Certificate that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, 2015 is annexed hereto.

XIV. GENERAL SHAREHOLDERS INFORMATION**1. Annual General Meeting**

Date : 18th September 2019
 Day : Wednesday
 Time : 12.00 P. M.
 Venue : Regd. Office.:
 P.O. Hanuman Sugar, Mills
 Motihari, Dist.: East Champaran,
 Bihar – 845 401

2. Financial Calendar [Tentative and subject to change]

Financial Year	April 1, 2019 to March 31, 2020
First Quarter Results	By 14th August, 2019
Second Quarter Results	By 14th November, 2019
Third Quarter Results	By 14th February, 2020
Fourth Quarter Result	By 30th May, 2020

3. Date of Book closure

Thursday, September 12, 2019 Wednesday, September 18, 2019 (both days inclusive)

4. Listing on Stock Exchanges

The Shares of the Company are listed on Bombay Stock Exchange, Mumbai and National Stock Exchange India Ltd. However, trading of shares of the Company at the National Stock Exchange and Bombay Stock Exchange is suspended and efforts are being made for resumption of the same.

5. Stock Codes

Mumbai Stock Exchange : Scrip Code – 507528
 Scrip Id - EASUG
 National Stock Exchange : Scrip Code – EASTSUGIND
 ISIN Number for Dematerialized Shares : INE 889B01016

6. Stock Market Data

In the absence of trading during the period from 01.04.2018 to 31.03.2019 on account of suspension of trading at Bombay Stock Exchange Limited, monthly high and low quotations (In Rs. Per share) of equity shares is not given.

7. Registrar & Share Transfer Agent

M/s Maheshwari Datamatics Pvt. Ltd
 23 R.N. Mukherjee Road, 5th Floor
 Kolkata – 700001
 Phone: 033-2248 2248/2243 5809
 Fax :033-2248 8787
 E-mail: mdpl@yahoo.com

8. 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.

9. Distribution of Shareholding as on 31st March, 2019

Nominal Value of Shareholding	No. of Shareholders		Number of Equity Shares	
	Total	% age of total	Total	% of Share Capital
Upto Rs.500	20079	91.81	2468688	8.47
Rs. 501 to Rs. 1000	753	3.44	657202	2.25
Rs.1001 to Rs. 2000	351	1.60	572118	1.96
Rs.2001 to Rs. 3000	135	0.62	349063	1.20
Rs.3001 to Rs. 4000	81	0.37	295245	1.01
Rs.4001 to Rs. 5000	100	0.46	484172	1.66
Rs.5001 to Rs. 10000	165	0.75	1293485	4.44
Rs.10001 and above	205	0.94	23030127	79.01
Total	21869	100.00	29150100	100.00

**10. Shareholding Pattern 31st March, 2019**

Category	No. of Shares held	% of Total Shares
Promoter & Promoter Group	1593039	5.46
Mutual Funds/UTI	11000	0.04
Bodies Corporate and others	14995040	51.44
Indian Public	12537621	43.01
NBFC Registered with RBI	13400	0.05
TOTAL	29150100	100.00

10. Dematerialization of Shares and liquidity

The dematting facility exists with both the NSDL and CDSL for the convenience of shareholders. As on 31st March, 2018, 14065600 equity shares representing 48.25% of your Company's Equity shares capital have been de-materialised

11. Plant location

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

12. Investors correspondence may be addressed to –

Eastern Sugar & Industries Ltd
'Chandra Kunj'
3, Pretoria Street
Kolkata – 700071

For and Behalf of Board of Directors

Shirish Goswami
Wholetime Director

Chandan Kumar Garodia
Director

Date: 30th July 2019

AUDITORS' CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To the Members of
Eastern Sugar & Industries Ltd.

We have examined the compliance of the conditions of Corporate Governance by EASTERN SUGAR & INDUSTRIES LIMITED for the year ended on 31st March, 2019, as stipulated in Regulation 27(2) of the SEBI Listing Regulations 2015 (LODR), 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 March 31, 2019 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

Tobacco House
1, Old Court House Corner
Suite No. 519, 5th Floor
Kolkata 700 001
Date : 30th July, 2019

For Saraf Manoj & Co.
Chartered Accountants
F.R. No. 323473E
Manoj Kumar Agarwal
Partner
M. No. 062489



UNDER REGULATION 27 OF THE SEBI LISTING REGULATION 2015 (LODR) DECLARATION BY W.T.D.

As required under Regulation 27(2) of the SEBI Listing Regulations 2015 (LODR), with Stock Exchanges, it is hereby confirmed that for the year ended 31st March, 2019, the Director's of Eastern Sugar & Industries Ltd 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

(S. J. Goswami)

Date: 30th July 2019

Whole time Director

W.T.D. AND CFO CERTIFICATION

We, Shirish Goswami, Whole time Director and Ajay Kumar Kabra, 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 31st March, 2019 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 31st March, 2019 are fraudulent, illegal 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

(Ajay Kumar Kabra)

(S. J. Goswami)

Date: 30th July 2019

Chief Financial Officer

Wholetime Director

ANNEXURE TO THE DIRECTOR'S REPORT MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Presently the company is mainly engaged in trading activities apart from earning income from Block Usage Charges from its fixed assets useful in sugar mill. The Company is in the process of exploring new business activities in the coming years.

SEGMENT WISE PERFORMANCE

Presently, the Company mainly deals in trading activity. Therefore, it is not required to give segment wise performance.

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

No income, during the year under review, compared to no income in the previous year.

Profits

Profit/(Loss) before Interest, Depreciation and Tax stood at Rs. (124.48) lacs in the financial year 2018-19, against Rs.(19.60) lacs in the previous year 2017-18.

Earnings Per Shares (EPS)

The Company recorded an EPS of Rs. (0.43) per equity shares of Rs. 10/- each during 2018-19.

Dividend

Considering funds required for increasing business of the Company and also considering the requirement for strengthening its financial positions, your Directors do not recommend any dividend for the year.

MATERIAL DEVELOPMENT IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT

A cordial industrial relations environment prevailed in the Company during the year. 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.

For and behalf of Board of Directors

KOLKATA
Date: 30th July 2019

Shirish Goswami
Wholetime Director

Chandan Kumar Garodia
Director

**ANNEXURE TO THE DIRECTOR'S REPORT**

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on **31.03.2019**

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i)	CIN	:	L15421BR1964PLC006630
ii)	Registration Date	:	11.12.1964
iii)	Name of the Company	:	EASTERN SUGAR & INDUSTRIES LIMITED
iv)	Category / Sub-Category of the Company	:	PUBLIC LIMITED COMPANY
v)	Address of the Registered office and contact details	:	HANUMAN SUGAR MILLS, P.O. MOTIHARI, DIST. EAST CHAMPARAN, BIHAR-845401, (033)2448-4222: FAX:2448-4225
vi)	Whether listed company Yes / No	:	YES
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	:	M/S MAHESHWARI DATAMATICS PVT.LTD. 23, R.N. MUKHERJEE ROAD 5TH FLOOR, KOLKATA-700001 Phone: 033-2248 2248 / 2243 5809

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

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

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Manufacture of Molasses, Sugar	10728	100.00%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

SN	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	NIL				

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total equity)**i) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year				Number of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. PROMOTERS									
(1) INDIAN									
a. Individual/HUF	1427865	115000	1542865	5.29%	1427865	115000	1542865	5.29%	-
b. Central Govt.									-
c. State Govt. (s)									-
d. Bodies Corp.	50074	100	50174	0.17%	50074	100	50174	0.17%	-
e. Banks/FI									-
f. Any other.....									-
(i) Trust	-	-	-	-	-	-	-	-	-
(ii) Individual Holding on behalf of Partnership Firm	-	-	-	-	-	-	-	-	-
Sub-total (A)(1):-	1477939	115100	1593039	5.46%	1477939	115100	1593039	5.46%	-
(2) FOREIGN									
a. NRIs - Individuals	-	-	-	-	-	-	-	-	-
b. Other - Individuals	-	-	-	-	-	-	-	-	-
c. Bodies Corporate	-	-	-	-	-	-	-	-	-
d. Banks/FI	-	-	-	-	-	-	-	-	-
e. Any other	-	-	-	-	-	-	-	-	-
Sub-total (A)(2):-	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter									
A= A(1) + A(2)	1477939	115100	1593039	5.46%	1477939	115100	1593039	5.46%	-



B. PUBLIC SHAREHOLDING										
(1) INSTITUTIONS										
a. Mutual Funds/UTI	-	-	11000	11000	0.04%	-	11000	11000	0.04%	-
b. Banks/FI	-	-	-	-	-	-	-	-	-	-
c. Central Govt.	-	-	-	-	-	-	-	-	-	-
d. State Govt(s)	-	-	-	-	-	-	-	-	-	-
e. Venture Capital Funds	-	-	-	-	-	-	-	-	-	-
f. Insurance Companies	-	-	-	-	-	-	-	-	-	-
g. FIs	-	-	-	-	-	-	-	-	-	-
h. Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-	-
i. Others (Specify)	-	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	11,000	11000	0.04%	-	11,000	11000	0.04%	-
(2) NON-INSTITUTIONS										
a. Bodies Corp.	2773443	11582000	14355443	49.25%	2715163	11582000	14297163	49.05%	-	
i. Indian	-	-	-	-	-	-	-	-	-	-
ii. Overseas	-	-	-	-	-	-	-	-	-	-
b. Individuals	-	-	-	-	-	-	-	-	-	-
i. Individual Shareholders holding nominal share capital upto Rs. 2 lakh	4405486	2177800	6583286	22.58%	4531108	2172500	6703608	23.00%	-	
ii. Individual Shareholders holding nominal share capital in excess of Rs. 2 lakh	5038112	829100	5867212	20.13%	5004913	829100	5834013	20.01%	-	
c. NBFCs registered with RBI	4400	-	4400	-	13400	-	13400	-	-	
d. Others (specify)...	-	-	-	-	-	-	-	-	-	
Clearing Member	86630	-	86630	0.30%	75440	-	75440	0.26%	-	
Non Resident Individual	274290	374800	649090	2.23%	247637	374800	622437	2.14%	-	
Sub-total (B)(2):-	12582361	14963700	27546061	94.50%	12587661	14958400	27546061	94.50%	-	
Total Public Shareholding										
B= B(1)+ B(2)	12582361	14974700	27557061	94.54%	12587661	14969400	27557061	94.54%	-	
C. SHARES HELD BY CUSTODIAN FOR GDRs & ADRs										
	-	-	-	-	-	-	-	-	-	
Grand Total (A+B+C)	14060300	15089800	29150100	100.00%	14065600	15084500	29150100	100.00%		

ii) Shareholding of Promoters

Sl. No.	Shareholders' Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in shareholding during the year		
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares			
1	Bimal Kumar Nopany	402865	1.38%	115000	0.39%	402865	1.38%	115000	0.39%	-
2	Shruti Vora	310000	1.06%	-	-	310000	1.06%	-	-	-
3	Shalini Nopany	260000	0.89%	-	-	260000	0.89%	-	-	-
4	Urvi Nopany	260000	0.89%	-	-	260000	0.89%	-	-	-
5	Nandini Nopany	310000	1.06%	-	-	310000	1.06%	-	-	-
6	Shruti Limited	47734	0.16%	-	-	47734	0.16%	-	-	-
7	Nopani & Sons Pvt. Ltd.	601	0.00%	-	-	601	0.00%	-	-	-
8	Nopany Investments Private Limited	1839	0.01%	-	-	1839	0.01%	-	-	-
	Total	1593039	5.46%	115000	0.39%	1593039	5.46%	115000	0.39%	-

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

Sl. No.		Shareholding at the beginning of the year		Cummulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
	At the beginning of the year	1593039	5.46%	1593039	5.46%
	Increase in Promoters' Shareholding during the year (Purchase)	-	-	-	-
	At the end of the year	1593039	5.46%	1593039	5.46%

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

Sl. No.	For Each of Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	Daulatram Rawatmull Private Limited	3450000	11.84%	3450000	11.84%
2	Nopany Marketing Co Pvt Ltd	3425000	11.75%	3425000	11.75%
3	Indian Die-Casting Co Limited	2555568	8.77%	2555568	8.77%
4	Kolhapur Forge Pvt Ltd	1500000	5.15%	1500000	5.15%
5	Jaldhara Holdings Pvt. Ltd.	1200000	4.12%	1200000	4.12%
6	Madhu Tiwari	700000	2.40%	700000	2.40%
7	Shubham Holdings Pvt. Ltd.	600000	2.06%	600000	2.06%
8	NNP Trading and Investment Pvt Ltd	577636	1.98%	577636	1.98%
9	Sambasivam Venkata Ramani	364271	1.25%	361671	1.24%
10	Poonam Sundeep Karna	247263	0.85%	247263	0.85%
	Total				

v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of Directors and KMP	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	Bimal Kumar Nopany (Director)	402865	1.38%	402865	1.38%
2	Ajay Kumar Kabra (CFO)	10000	0.03%	10000	0.03%

V INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(Rs. In Lakh)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i. Principal Amount	7447.30	-	-	7447.30
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	7447.30	-	-	7447.30
Change in Indebtedness during the financial year				
* Addition	-	-	-	-
* Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
i. Principal Amount	7447.30	-	-	7447.30
ii. Interest Due but not paid	-	-	-	-
iii. Interest Accrued but not due	-	-	-	-
Total (i+ii+iii)	7447.30	-	-	7447.30

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager	Total Amount
	Name	SHIRISHGIRI JAYSUKHGIRI GOSWAMI	
	Designation	Whole-time director	
1	Gross Salary		
	a. Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	600000	600000
	b. Value of perquisites u/s 17(2) Income Tax Act, 1961		
	c. Profit in lieu of salary under section 17(3) Income Tax Act, 1961		
2	Stock Option		
3	Sweat Equity		
4	Commission - as % of profit - others, specify		
5	Others, please specify		
	Total (A)	600000	600000
	Ceiling as per the Act		



B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors	Total Amount	
1	Independent Directors		NIL	
	* Fee for attending Board/Committee meetings	There was no remuneration paid to the other Directors i.e Independent Directors and other Non- Executive Directors of the Company.		
	* Commission			
	* Others, Travelling Exp.			
	TOTAL (1)			
2	Other Non-Executive Directors			
	* Fee for attending Board/Committee meetings			
	* Commission			
	* Others, please specify			
	TOTAL (2)			
	TOTAL (B) = (1+2)			
	Total Managerial Remuneration			
	Overall ceiling as per the Act			

C. Remuneration to Key Managerial Personnel other than MD/MANAGER/WTD:

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		Name		Total
	Designation	Mr. Ajay Kabra Chief Financial Officer	Ms. Priyanka Mundhara Company Secretary	
1	Gross Salary	360000	240000	600000
	a. Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961			
	b. Value of perquisites u/s 17(2) Income Tax Act, 1961			
	c. Profits in lieu of salary under section 17(3) Income Tax Act, 1961			
2	Stock Option			
3	Sweat Equity			
4	Commission - as % of profit - others, specify			
5	Others, please specify			
	Total (A)			600000

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/Compounding fees imposed	Authority [RD/NCLT/COURT]	Appeal made, if any (give details)
A. COMPANY					
Penalty					
Prosecution					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Prosecution			NA		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

For and behalf of Board of Directors

S. J. Goswami
Wholtime Director
Din- 02899135

Chandan Kumar Garodia
Director
Din- 05325649



Form No. MR-3

SECRETARIAL AUDIT REPORT

For The Financial Year Ended 31st March, 2019

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
EASTERN SUGAR & INDUSTRIES LIMITED
P.O. Hanuman Sugar Mills, Motihari
East Champaran, Bihar -845401

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s Eastern Sugar & Industries Limited** (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by Eastern Sugar & Industries Limited ("the Company") for the financial year ended on 31st March, 2019 according to the provisions of:

- (i) The Companies Act, 2013 ("the Act") and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) Company has complied with the Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder except-
Company has 92.77% promoters shares in demat form but as per SEBI circular SEBI/Cir/ISD/ 05 /2011, the Company should have 100% promoter holding in demat form.
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (**Not Applicable to the Company during the Audit Period**);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company;
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments; ; (**Not Applicable to the Company during the Audit Period**)

- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and subsequent amendments; **;(Not Applicable to the Company during the Audit Period)**
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;**(Not Applicable to the Company during the Audit Period);**
- d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme)Guidelines, 1999and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 w.e.f. October 28, 2014**(Not Applicable to the Company during the Audit Period);**
- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not Applicable to the Company during the Audit Period);**
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with clients;
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

During the review period, as per the information received from the company, I have Observed that:

- 1) *Due to Non-Compliance, the BSE Ltd. had delisted the equity shares of the company w.e.f 04/07/2018. The NSE Ltd. had also delisted the equity shares of the Company w.e.f 08/08/2018 in terms of Rule 21(2) b of Securities contract(Regulations) Rules,1957.*
- 2) *The Company had made appealed to SAT and on 13/08/2018, SAT has given order to BSE to give opportunities to comply with all pending compliances and to make payments of all outstanding dues.*
- 3) *The Company had complied with all compliances and made payments of penalties and annual listing fees.*
- 4) *Till the review period the status of the Company on BSE and NSE was on delisted mode only, but by mail dated 04/07/2019 the BSE Ltd. and by the circular dated 12/07/2019, the NSE Ltd. has consider Company's application and change the status from Delist to Suspension and give opportunity to revoke the Suspensions and the Company is making efforts for resumption of the same.*

- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998**(Not Applicable to the Company during the Audit Period).**

(vi) **Insolvency and Bankruptcy code 2016-**

One of the Financial Creditor (Stressed Assets Stabilization Fund) has filed petition to NCLT under insolvency and Bankruptcy Code 2016, against the company. Matter is pending with NCLT.

- (vii) The Company has identified the following other laws as applicable to the Company:-
 - a) Sugar Cess Act, 1982*
 - b) Levy Sugar Price Equalisation Fund Act, 1976*
 - c) Essential Commodities Act, 1955*
 - d) Sugar Development Fund Act, 1982
 - e) The Income Tax Act, 1961
 - f) The Finance Act, 1994

I have also examined compliance with the applicable Regulation of the following:

- (i) The Secretarial Standards issued by the Institute of Company Secretaries of India.
- (ii) The Listing Regulation entered into by the Company with Bombay Stock Exchange Limited and National Stock Exchange of India Limited.

During the Audit period under review and as per representations and clarifications provided by the management, I confirm that the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Regulation etc as mentioned herein above except to the extent as mentioned above regulation.

I further report that compliance of applicable financial laws including Direct and Indirect Tax laws by the Company has not been reviewed in this Audit since the same has been subject to review by the Statutory Auditors and other designated professionals.

I further report that,

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
2. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
3. All decisions at the Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

I further report that based on review of Compliance mechanism established by the company and on the basis of the records of Company there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period, there were no specific events/ actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. as referred to above.

Place: Kolkata
Date: 30/07/2019

Meena Chowdhary
Practising Company Secretary
C.P No. 16829, ACS No. 41084

Note:

- 1) *Sugar Cess Act, 1982, Levy Sugar Price Equalisation Fund Act, 1976, Essential Commodities Act, 1955, though applicable for the Sugar Industry but since Company is not carrying the related activity during the Audit period, the Acts are not applicable for the period ended on 31st March, 2019.
- 2) The Company is not carrying any activity related to manufacturing of sugar or any other during the period ended on 31st March, 2019, therefore the Factories Act, 1948, The Payment of Wages Act, 1936, The Payment of Bonus Act, 1965 etc. is not applicable for the Company for the period.

This Report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report.



'Annexure A'

To,
The Members,
EASTERN SUGAR & INDUSTRIES LIMITED
P.O. Hanuman Sugar Mills, Motihari
East Champaran, Bihar -845401

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. I believe that the process and practice, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, I have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Kolkata
Date: 30th July 2019

Meena Chowdhary
Practising Company Secretary
C.P No. 16829 , ACS No. 41084



INDEPENDENT AUDITORS' REPORT

To the Members of **EASTERN SUGAR & INDUSTRIES LIMITED**
Report on the Audit of the Standalone Financial Statements

Qualified Opinion

We have audited the standalone financial statements of EASTERN SUGAR & INDUSTRIES LIMITED ("the Company"), which comprise the balance sheet as at 31st March 2019, and the statement of Profit and Loss, and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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 section of our report, the aforesaid financial statements give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as 31st March 2019 and profit/loss, and its cash flows for the year ended on that date.

Basis for Qualified Opinion**● TDS Compliances:**

Non compliance of sections 194-A, 192 & 192-J, of Income Tax Act, 1961 with respect to TDS on interest other than Interest on Securities , Salary, & Fee for professional & Technical Services respectively. The TDS on above have not been deducted and deposited in time.

● Generally Accepted Accounting Principles:

Non compliance of generally accepted accounting principles in accounting of Gratuity, Leave liabilities towards employees, bonus, Professional Taxes, Trade License Fees, Interest and penalty on delayed deposit of TDS & income from interest on securities and other deposits as they are accounted for on cash basis.

● Provision of Depreciation on its Fixed Assets:

The Company has not provided depreciation on its Fixed Assets for the period covered under this audit. The Company has also not provided depreciation on transition to Schedule – II of The Companies Act, 2013.

We conducted our audit in accordance with Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Material Uncertainty Related to Going Concern

Due to operational difficulties, company has suspended its operation of Cane Crushing since Fy 2004-05 & incurred a net loss of 124.48 lacs during the year ended 31.03.2019 and also in preceding

previous year . Therefore as per our view the financial statements for the FY 18-19 should be prepare on Non-Going Concern Basis.

Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in *the Basis for Qualified Opinion* section we have determined the matters described below to be the key audit matters to be communicated in our report: -

No Revenue from Operations during the year & in Preceding Previous years , on enquiry, it was found that factory was taken on lease from M/s Shree Hanuman Sugar & Industries Limited w.e.f 1st June ,1995.The lease was terminated on 30th June 2006.The last cane crushing season was FY 2003-04.All the fixed Assets of the company will be acquired by the said company (erstshile Lessor) at their gross values appearing in the books of the company as on the date of transfer,subject to the approval of the lending institutions for which they have agreed in-principle. We have taken the Management Representation in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to 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 principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to

the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone ind AS financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone ins AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The 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 aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B'.
 - g) With respect to the matter to be included in the Auditor's Report under section 197(16), In our opinion and according to the information and explanations given to us, the remuneration if any, paid by the Company to its directors during the current year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) which are required to be commented upon by us.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has pending litigations which would impact its financial position.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Place: Kolkata
Date: 29th May 2019

For Saraf Manoj & Co.
Chartered Accountants
F.R. No. 323473E
Manoj Kumar Agarwal
Partner
M. No. 062489

Annexure- 'A'**The Annexure referred to in paragraph 1 of Our Report on "Other Legal and Regulatory Requirements".**

We report that:

We report that:

- i.
 - a. The company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
 - b. As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
 - c. The title deeds of immovable properties are held in the name of the company.
- ii. As explained to us, inventories have been physically verified during the year by the management at reasonable intervals. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
- iii. According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties listed in the register maintained under Section 189 of the Companies Act, 2013. Consequently, the provisions of clauses iii (a), (b) and (c) of the order are not applicable to the Company.
- iv. In respect of loans, investments, guarantees, and security, provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.
- v. The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- vi. As per information & explanation given by the management, maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 has been maintained.
- vii.
 - a. According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Service Tax, Goods and Service tax, Custom Duty, Excise Duty, value added tax, cess and any other statutory dues to the extent applicable, have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31st March 2019 for a period of more than six months from the date they became payable.
 - b. According to the information and explanations given to us, there is no amount payable in respect of income tax, service tax, sales tax, customs duty, excise duty, value added tax and cess whichever applicable, which have not been deposited on account of any disputes.

Name of the Statute	Nature of Dues	Amount (In Lacs)	Period to which amount relates
Income Tax Act, 1961	Income Tax, Interest etc	584.05	AY 2011-12
Income Tax Act, 1961	Income Tax, Interest etc	197.08	AY 2012-13

- viii. In our opinion and according to the information and explanations given by the management, we are of the opinion that, the Company has defaulted in repayment of dues to a financial institution, bank, Government or debenture holders, as applicable to the company.
- ix. Based on our audit procedures and according to the information given by the management, the company has not raised any money by way of initial public offer or further public offer (including debt instruments) or taken any term loan during the year.

- x. According to the information and explanations given to us, we report that no fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. According to the information and explanations given to us, we report that managerial remuneration has been paid in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
- xii. The company is not a Nidhi Company. Therefore, clause (xii) of the order is not applicable to the company.
- xiii. According to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc. as required by the applicable accounting standards.
- xiv. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- xv. Provisions of section 192 of Companies Act, 2013 have been complied with in case of non-cash transactions entered by the company with directors or persons connected with him
- xvi. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

Annexure 'B'**Report on Internal Financial Controls Over Financial Reporting**

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of EASTERN SUGAR & INDUSTRIES LIMITED ("the Company") as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.



Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
3. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Kolkata
Date: 29th May 2019

For Saraf Manoj & Co.
Chartered Accountants
F.R. No. 323473E
Manoj Kumar Agarwal
Partner
M. No. 062489



BALANCE SHEET AS ON 31ST MARCH 2019

PARTICULARS	Note No.	As at 31.03.2019 Amount Rs.(In Lacs)		As at 31.03.2018 Amount Rs.(In Lacs)	
(1) ASSETS					
Non-current assets					
(a) Property, Plant and Equipment	1	5,197.90		5,197.90	
(b) Capital work-in-progress		4,578.17		4,578.17	
(c) Financial Assets					
(i) Investments	2	1,993.34		1,993.34	
			11,769.41		11,769.41
(2) Current assets					
(a) Inventories	3	1,876.40		1,876.40	
(b) Financial Assets					
(i) Trade receivables	4	386.85		386.85	
(ii) Cash and cash equivalents	5	0.77		2.69	
(iii) Bank balances other than (ii) above	6	14.02		14.02	
(iv) Loans	7	440.26		510.60	
			2,718.30		2,790.56
Total Assets			14,487.71		14,559.97
EQUITY AND LIABILITIES					
Equity					
(a) Equity Share capital	8	3,390.01		3,390.01	
(b) Other Equity	9	2,031.52	5,421.53	2,156.00	5,546.01
LIABILITIES					
Non-current liabilities					
(a) Financial Liabilities					
(i) Borrowings	10	7,447.30	7,447.30	7,447.30	7,447.30
Current liabilities					
(a) Financial Liabilities					
(i) Short term Borrowings	11	7.68		7.68	
(i) Long term Borrowings					
(ii) Trade payables	12	1,256.79		1,174.93	
(b) Other current liabilities	13	346.64		376.28	
(c) Provisions	14	7.77		7.77	
			1,618.88		1,566.66
Total Equity and Liabilities			14,487.71		14,559.97

The accompanying notes are an Integral parts of financial statements
For and on behalf of the Board of Directors

As per our report of even date

S.J. Goswami, Whole time Director
Chandan Kumar Garodia, Director
A. K. Kabra, Chief Financial Officer
Priyanka Mundhara, Company Secretary

For Saraf Manoj & Co.
Chartered Accountants
F.R. No. 323473E
Manoj Kumar Agarwal
(Partner)
Membership No. 062489

Place : Kolkata
Date : 29.05.2019



STATEMENT OF PROFIT AND LOSS FOR PERIOD ENDED 31ST MARCH 2019

PARTICULARS	Note No.	31.03.2019 Rs.(In Lacs)	31.03.2018 Rs.(In Lacs)
I Revenue From Operations		-	-
II Other Income		-	-
III Total Income (I+II)		-	-
IV EXPENSES			
Cost of materials consumed		-	-
Purchases of Stock-in-Trade		-	-
Changes in inventories of finished goods,		-	-
Employee benefits expense	15	59.68	11.71
Other expenses	16	64.80	7.89
Total expenses (IV)			
V Profit/(loss) before exceptional items and tax (I- IV)		(124.48)	(19.60)
VI Exceptional Items			
VII Profit/(loss) before tax (V-VI)		(124.48)	(19.60)
VIII Tax expense:			
(1) Current tax		-	-
(2) Deferred tax		-	-
IX Profit (Loss) for the period from continuing operations (VII-VIII)		(124.48)	(19.60)
X Profit/(loss) from discontinued operations			
XI Tax expense of discontinued operations		-	-
XII Profit/(loss) from Discontinued operations (after tax) (X-XI)		-	-
XIII Profit/(loss) for the period (IX+XII)		(124.48)	(19.60)
XIV Other Comprehensive Income			
XV Total Comprehensive Income for the period		(124.48)	(19.60)
XVI Earnings per equity share (for continuing operation):			
(1) Basic		(0.43)	(0.07)
(2) Diluted		(0.43)	(0.07)
XVII Earnings per equity share (for discontinued operation):			
(1) Basic		-	-
(2) Diluted		-	-
XVIII Earnings per equity share (for discontinued & continuing operations)			
(1) Basic		(0.43)	(0.07)
(2) Diluted		(0.43)	(0.07)

The accompanying notes are an Integral parts of financial statements
For and on behalf of the Board of Directors

S.J. Goswami, Whole time Director
Chandan Kumar Garodia, Director
A. K. Kabra, Chief Financial Officer
Priyanka Mundhara, Company Secretary

Place : Kolkata
Date : 29.05.2019

As per our report of even date
For Saraf Manoj & Co.
Chartered Accountants
F.R. No. 323473E
Manoj Kumar Agarwal
(Partner)
Membership No. 062489

NOTE 1 : FIXED ASSETS

DEPRECIATION	AS AT 01.04.2018	AS AT 31.03.2019	Up To 31.03.2018	Up To 31.03.2019	on Asset Sold	For The Year	(Rs. in Lacs)	
							As At 31.03.2018	As At 31.03.2019
A. FIXED ASSET								
Building	5.01	5.01	1.09	1.09	-	-	3.92	3.92
Plant & Machinery	6,969.65	6,969.65	1,777.38	1,777.38	-	-	5,192.27	5,192.27
Vehicle	50.81	50.81	49.10	49.10	-	-	1.71	1.71
TOTAL OF 'A'	7,025.47	7,025.47	1,827.57	1,827.57	-	-	5,197.90	5,197.90
B. CAPITAL WORK IN PROGRESS								
Capital work in Progress	4,578.17	4,578.17	-	-	-	-	4,578.17	4,578.17
TOTAL OF 'B'	4,578.17	4,578.17	-	-	-	-	4,578.17	4,578.17
GRAND TOTAL (A+B)	11,603.64	11,603.64	1,827.57	1,827.57	-	-	9,776.07	9,776.07
PREVIOUS YEAR	11,603.64	11,603.64	1,827.57	1,827.57	-	-	9,776.07	9,776.07



NOTES TO ACCOUNTS FORMING PART OF BALANCE SHEET

	As on 31.03.2019		As on 31.03.2018	
		Amount (in Rs. Lacs)		Amount (in Rs. Lacs)
NOTE : 2 INVESTMENTS				
Non Trade Investments				
Unquoted :				
300000 Equity Shares (of Nopany & Sons Private Ltd.)		300.00		300.00
7500 Equity Shares (of Indian Die Casting Co. Ltd.)		9.00		9.00
395050 Equity Shares (of Shruti Spinners Ltd.)		79.01		79.01
214000 Equity Shares (of Hanuman Industries India Pvt Ltd.)		1,570.33		1,570.33
14000 Convertible bond (of NNP Trading & Investments Pvt Ltd.)		35.00		35.00
TOTAL		1,993.34		1,993.34
NOTE : 3 INVENTORIES				
Construction Rights		1,876.40		1,876.40
		1,876.40		1,876.40
NOTE : 4 TRADE RECEIVABLES				
Other Trade Receivables		386.85		386.85
TOTAL		386.85		386.85
NOTE : 5 CASH & CASH EQUIVALENTS				
Cash in Hand		0.77		2.69
TOTAL		0.77		2.69
NOTE : 6 BANK BALANCES				
Balance With Schedule Banks (In Current Account)		14.02		14.02
TOTAL		14.02		14.02
NOTE : 7 SHORT TERM LOANS & ADVANCES				
Short Term Loans And Advances		440.26		510.60
TOTAL		440.26		510.60



NOTES TO ACCOUNTS FORMING PART OF BALANCE SHEET

	As on 31.03.2019		As on 31.03.2018	
		Amount (in Rs. Lacs)		Amount (in Rs. Lacs)
NOTE 08 : SHARE CAPITAL				
(a) Authorised Capital				
(3,00,00,000 Equity shares of Rs.10 each)		3,000.00		3,000.00
(10,00,000 Preference Shares of Rs.100 each)		1,000.00		1,000.00
(10,00,000 Unclassified Shares of Rs.100 each)		1,000.00		1,000.00
		5,000.00		5,000.00
(b) Issued, Subscribed & Paid up				
(2,91,50100 Equity shares of Rs.10 each)		2,915.01		2,915.01
(2,05,000 12% Cumulative Convertible Preference shares of Rs 100 each)		205.00		205.00
(2,70,000 3% Cumulative Convertible Preference shares of Rs 100 each)		270.00		270.00
		3,390.01		3,390.01
NOTE 09 : OTHER EQUITY				
Revaluation Reserve				
As per last balance sheet		519.32		519.32
General Reserve				
As per last balance sheet		760.35		760.35
Profit & loss A/c				
As per last balance sheet	876.33		895.93	
Add: Profit After Tax for the Current Year	(124.48)		(19.60)	
Balance brought forward		751.85		876.33
TOTAL		2,031.52		2,156.00



NOTES TO ACCOUNTS FORMING PART OF BALANCE SHEET

	As on 31.03.2019		As on 31.03.2018	
		Amount (in Rs. Lacs)		Amount (in Rs. Lacs)
NOTE : 10 LONG TERM BORROWINGS				
SDF Loan	1,337.00		1,337.00	
Interest Accrued From SDF Loan	759.34		759.34	
Cash Credit Borrowings from Bank	587.09		587.09	
Term Loan from Bank	4,763.87	7,447.30	4,763.87	7,447.30
		7,447.30		7,447.30
NOTE : 11 SHORT TERM BORROWINGS				
From Body Corporates	7.68		7.68	
		7.68		7.68
NOTE : 12 TRADE PAYABLES				
Trade Payables	1,256.79		1,174.93	
		1,256.79		1,174.93
NOTE : 13 OTHER CURENT LIABILITIES				
Current Liabilities	346.64		376.28	
		346.64		376.28
NOTE : 14 PROVISIONS				
Short term Provisions	7.77		7.77	
		7.77		7.77



NOTES TO ACCOUNTS FORMING PART OF PROFIT & LOSS STATEMENT

	As on 31.03.2019 (Rs.In Lacs)	As on 31.03.2018 (Rs.In Lacs)
NOTE : 15 EMPLOYEE BENEFIT EXPENSES		
Salary & Wages	58.70	9.69
Employee Welfare Expenses	0.98	2.02
TOTAL	59.68	11.71
NOTE : 16 OTHER EXPENSES		
Advertisement	0.00	0.07
Audit Fees	0.41	0.38
Certification charges	0.18	1.73
Custody Charges	1.30	1.26
Filing Fees	0.09	0.07
General Expenses	2.08	1.06
Legal expenses	0.01	0.50
Office Maintenance	0.12	0.83
Printing & Stationary	0.21	0.17
Professional Charges	2.75	1.82
Annual Listing Fees	15.55	-
Consultancy Charges	0.40	-
N.S.DL Charges	0.25	-
C.D.S.L Charges	0.28	-
Pension Scheme	4.29	-
P.F.Contribution	1.89	-
P.F.Inspection Charges	0.10	-
P.F.Link Insurance Charges	0.26	-
BSE Revocation Charges	34.56	-
Travelling & Conveyance Exp	0.07	-
TOTAL	64.80	7.89



CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH 2019

PARTICULARS	Amount (in Rs. Lacs)	
	31.03.2019	31.03.2018
A. Cash Flow from Operating Activity		
Net Profit Before Tax & Extra Ordinary Item	(124.48)	(19.60)
Adjustment for :		
Depreciation		
Operating Profit Before Working Capital Changes	(124.48)	(19.60)
Adjustment for :		
Loan & Advances	70.34	(5.97)
Trade Receivable	-	(0.25)
Trade Payable	81.86	15.05
Other Current Liabilities	(29.64)	(0.38)
Less: Taxes Paid		-
Net Cash Generated from Operation	(1.92)	(11.15)
B. Cash Flow from Investing Activity		
Purchase of Fixed Asset	-	-
Purchase of Investments	-	-
Net Cash Generated from Investing Activity	-	-
C. Cash Flow from Financing Activity		
Long Term Borrowings	-	-
Net Cash Generated from Financing Activity	-	-
Total Cash generated During the year (A+B+C)	(1.92)	(11.15)
Add: Cash Balance at the Beginning of the Year	16.71	27.86
Cash Balance at the End of the Year	14.79	16.71

17. SIGNIFICANT ACCOUNTING POLICIES

i) Basis of Preparation of Financial Statement

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. Pursuant to section 133 of companies Act, 2013 read with rule 7 of Companies (Accounts) Rules, 2014 till the standards of accounting or any addendum thereto are prescribed by the central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 2013 shall continue to apply. Consequently these financial statements have been prepared to comply in all material aspects with accounting standards notified under section 133 [Companies (Accounting) Rules, 2014 as amended] and other relevant provisions of the Companies Act, 2013.

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 II to the Companies Act, 2013 (as amended).

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

The accompanying notes are an Integral parts of financial statements
For and on behalf of the Board of Directors

B.K. Nopany, Chairman
S.J. Goswami, Whole time Director
A. K. Kabra, Chief Financial Officer
Priyanka Mundhara, Company Secretary

As per our report of even date
For Saraf Manoj & Co.
Chartered Accountants
F.R. No. 323473E
Manoj Kumar Agarwal
(Partner)
Membership No. 062489

Place : Kolkata
Date : 29.05.2019



carried at the lower of cost and fair value, category wise. Cost includes acquisition charges such as brokerage, fee and duties.

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

i. Sale of goods is recognized at the time of transfer of substantial risk and rewards of ownership to the buyer for a consideration.

ii. All other income is 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) 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 incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

x) 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.

xi) Dues to micro, small & Medium enterprises

There are no Micro, Small & Medium Enterprises, to whom the Group owes dues, which are outstanding for more than 45 days as at 31st March, 2019. 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.

xii) 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.

xiii) 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, contingent liabilities and contingent assets are reviewed at each balance sheet date. A Contingent Asset is not recognised in the Accounts.

xiv) Cash Flow Statement

Statement notified under the Companies (Accounting Standards) Rules, 2006. 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.

18. Notes Forming Part of Financial Statements

i) TDS on interest other than interest on securities, 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.

ii) Leave encashment by the employees of the company except in the case of his or her death while in service is not allowed by the Company. Leave liability is, therefore, accounted for on cash basis.

iii) Professional Taxes and Trade License Fees are to be accounted for on cash basis.



iv) Balance Confirmation Certificates from Debtors, Creditors and Banks are awaited from the respective parties.

v) In accordance with the requirements under the Indian Accounting Standard (IND AS-12), Deferred Tax Assets (net) at the year end arising out of carry forward Business losses, carry forward of Long Term Capital Loss and unabsorbed depreciation has not been recognized in the current year in the accounts. The accounting treatment is in line with prudential accounting norms and recommendations under IND AS-12.

vi) There is no impairment of assets. The management expects to recover amount higher than the carrying value of fixed assets.

vii) The Company has operated in one segment only during the year ended on 31st March, 2019 and hence, Segment Reporting as per IND AS-108 issued by the ICAI is not applicable.

viii) **Basis for Calculation of Basic and Diluted Earnings per share in terms of Indian Accounting Standard -33 is as under: -**

	31.03.2019	31.03.2018
Profit/Loss after Tax as per Profit & Loss Account	(124.48)	(19.60)
Weighted Average No. of Equity Shares	292.00	292.00
Basic & Diluted Earnings per Share	(0.43)	(0.07)

ix) 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.

x) Long Term Loans

a) Term Loan from Sugar Development Fund (SDF) of Rs. 1337 lakhs is secured by creating second charge on its fixed assets in favour of Central Government.

b) Cash Credit borrowing from Bank of India is secured by hypothecation of stock of sugar, stores, spares and packing material.

c) Term Loan from IDBI is secured by way of mortgage of whole of the movable properties of the company including its movable Plant & Machinery, Machinery spares, Tools & accessories and other movables, both present and future other than the movable Plant & Machinery on which the company has already created charge in favour of Bank of India (save and except book debts).



xi) Related Party Disclosure

a) Names of Related Parties:

Shree Hanuman Sugar & Industries Limited

b) Transaction entered into with related parties:

During the year, the Company had not entered into any contract/arrangement/transaction with related parties which could be considered material in accordance with the policy of the Company materiality of related party transactions. Hence, the provisions of Section 188 of the Companies Act, 2013 are not attracted. Thus, disclosure in Form AOC-2 is not required. Further, there are no materially significant Related Party Transactions during the year under review made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons.

xii) Contingent Liabilities (To the Extent not provided for)

a) Claim against the company not acknowledged as debt:-

Particulars	Amount (Lacs)
Income Tax Matter	781.13

The above amount of contingencies does not include applicable interest, if any. Cash outflow for the above are determinable only on receipt of judgments pending at various forums/ authorities.

xiii) The factory was taken on lease from M/s Shree Hanuman Sugar & Industries Limited w.e.f 1st June, 1995. The lease was terminated on 30th June, 2006. The last cane crushing season was 2003-04.

xiv) One of the Financial creditor (Stressed Assets Stabilization Fund) has filed petition to NCLT under Insolvency and Bankruptcy Code 2016, against the company. Matter is pending with the NCLT.

xv) Figure's of Previous Year have been re-arranged and re-grouped, where ever considered necessary.

Place : Kolkata
Date : 29.05.2019

S.J. Goswami, Whole time Director
Chandan Kumar Garodia - Director
A. K. Kabra, Chief Financial Officer
Priyanka Mundhara, Company Secretary

As per our report of even date
For Saraf Manoj & Co.
Chartered Accountants
F.R. No. 323473E
Manoj Kumar Agarwal
(Partner)
Membership No. 062489

**Eastern Sugar & Industries Limited**

Registered Office: Hanuman Sugar Mills P.O. Motihari, Dist. East Champaran, Bihar 845401

E-mail: esil@nopany.in / info@easternsugar.in , website: www.easternsugar.in

CIN: L15422BR1964PLC006630

ATTENDANCE SLIP

[To be signed and handed over at the entrance of the meeting hall]

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 Member/ Proxy in full

I/we hereby record my/our presence at the Annual General Meeting of the Company being held on Wednesday 18th September 2019 at 12.00 P.M. at the Registered Office of the Company at P.O. Hanuman Sugar Mills, Motihari, East Champaran, Bihar-845401.

Please (√) in the box

MEMBER

PROXY

 Signature of Member / Proxy



Eastern Sugar & Industries Limited

Registered Office: Hanuman Sugar Mills P.O. Motihari, Dist. East Champaran, Bihar 845401

E-mail: esil@nopany.in / info@easternsugar.in , website: www.easternsugar.in

CIN: L15422BR1964PLC00663

PROXY FORM

MGT - 11

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member(s): _____

Registered address: _____

E-mail Id: _____

Folio No/ Client Id: _____

DP ID: _____

I/We, being the member (s) of shares of the above named company, hereby appoint

1. Name: & Address:

E-mail Id:

Signature:....., or failing him

2. Name: & Address:

E-mail Id:

Signature:....., or failing him

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 Wednesday 18th September 2019 at 12.00 P.M. at P.O. Hanuman Sugar Mills, Motihari, East Champaran, Bihar-845401 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	For	Against
1 To receive consider and adopt the Audited Financial Statements of the company for the F.Y. ended 31.03.2019.		
2 To reappointment of Mr. B. K. Nopany as Director, who retires by rotation.		
3. To ratify the appointment of M/s. Saraf Manoj & Co., Chartered Accountants as auditors of the Company.		

Signed this..... day of..... 20.....

Signature of shareholder

Signature of Proxy holder(s)

[Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.]



