bajaj SUGAR

August 20, 2019

DCS - CRD **BSE Limited** **First Floor, New Trade Wing** **Rotunda Building** **Phiroze Jeejeebhoy Towers** **Dalal Street, Fort** **Mumbai 400 023** **Stock Code: 500032**	**National Stock Exchange of India Ltd.** **Exchange Plaza** **5th Floor** **Plot No.C/1, 'G'Block** **Bandra- Kurla Complex** **Bandra East** **Mumbai 400 051** **Stock Code: BAJAJHIND**

Dear Sirs,

Sub: Annual Report for the financial year 2018-19 and Notice of the 87th Annual General Meeting of the Members of the Company

Pursuant to Regulation 34(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015, as amended, please find enclosed the following documents for the financial year 2018-19:

1. The Notice convening 87th Annual General Meeting (AGM) of the Members of the Company scheduled to be held on Friday, September 20, 2019 at 11.00 A.M.; and

2. Annual Report for the financial year 2018-19.

The Notice of 87th AGM, Proxy Form, Attendance Slip and Annual Report for the financial year 2018-19 are also available on the website of the Company, i.e. www.bajajhindusthan.com.

The same may please be taken on record and suitably disseminated to all concerned.

Thanking you,

Yours faithfully,
For BAJAJ HINDUSTHAN SUGAR LIMITED

Kausik Adhikari

KAUSIK ADHIKARI
DEPUTY COMPANY SECRETARY
(Membership No: ACS18556)
Compliance Officer

Encl. as above

Bajaj Hindusthan Sugar Limited
CIN: L15420UP1931PLC065243
Registered Office: Golagokarannath, Lakhimpur-Kheri, District Kheri, Uttar Pradesh 262 802
Tel.: +91-5876-233754/5/7/8, 233403, **Fax:** +91-5876-233401,
Website: www.bajajhindusthan.com, **Email:** investor.complaints@bajajhindusthan.com

NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the **Eighty Seventh Annual General Meeting** of the Members of Bajaj Hindusthan Sugar Limited will be held on Friday, September 20, 2019 at 11.00 A.M. at the Conference Hall, General Office, Bajaj Hindusthan Sugar Limited, Golagokarannath, Lakhimpur-Kheri, District Kheri, Uttar Pradesh – 262 802, to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Standalone and Consolidated Financial Statements of the Company for the financial year ended as at March 31, 2019 and the Reports of the Board of Directors and the Auditors thereon for the said year.

2. To appoint a director in place of Mr. Ashok Kumar Gupta, Director (Group Operations) (DIN: 02608184), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

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

   "RESOLVED THAT pursuant to the provisions of Section 148 of the Companies Act, 2013 ("the Act"), Companies (Audit and Auditors) Rules, 2014 ("the Rules") and other applicable provisions, if any, of the Companies Act, 2013 including any amendment(s) thereto or re-enactment(s) thereof for the time being in force, payment of remuneration of an aggregate amount of ₹ 4,30,000/- (Rupees Four Lakh Thirty Thousand only) plus service tax as applicable and reimbursement of actual travel and out of pocket expenses to M/s. B.J.D. Nanabhoy & Co., Cost Accountants, Mumbai, appointed as Cost Auditor of the Company by the Board of Directors to conduct the cost audit of the Company for the financial year ending March 31, 2020, be and is hereby ratified and confirmed."

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

   "RESOLVED THAT pursuant to Section 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with the Companies (Appointment and Qualifications of Directors) Rules, 2014 ("the Rules"), including any statutory modification(s) or re-enactments thereof for the time being in force, and in accordance with the Articles of Association of the Company, Mr. Amir Singh Yadav (DIN:08481111), who was appointed as an Additional Director of the Company with effect from June 25, 2019, pursuant to Section 161 of the Act and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting of the Company, who being eligible, offers himself for appointment and in respect of whom a notice in writing under Section 160 of the Act has been received from a member proposing his candidature for the office of Director, be and is, hereby appointed as Nominee Director of the Company, liable to retire by rotation."

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

   "RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any amendment thereto or re-enactment thereof for the time being in force) and subject to such other approval(s), permission(s) and / sanction(s) as may be necessary and in partial modification of the resolution passed by the Members at the 85th Annual General Meeting held on September 15, 2017, Mr. Ashok Kumar Gupta (DIN: 02608184), Whole time director of Bajaj Hindusthan Sugar Limited ("the Company") be and is hereby re-designated as Managing Director of the Company with effect from August 14, 2019 till April 14, 2021 [being the date of attainment of age of 70 (seventy) years by Mr. Ashok Kumar Gupta], at the amended terms and remuneration as set out below:-

   I. Remuneration:

   In consideration of the performance of his duties, the Company shall pay to Mr. Ashok Kumar Gupta, the aggregate remuneration with such increments as may be approved by the Board of Directors (which term includes any Committee thereof) from time to time, as per the break up stated below:-

a) Salary:

Basic salary of ₹ 4,38,831 per month in the scale of ₹ 2,50,000 – ₹ 7,50,000 per month.

b) Performance Linked Incentive :

Performance Linked incentive to the achievement of targets as per the rules of the Company subject to a maximum of 2 month's basic salary per annum.

c) Allowances, Perquisites, Amenities :

i) Leave Travel Allowance:

Leave Travel Allowance in respect of himself and family not exceeding one month's salary per annum as per the rules of the Company.

ii) Rent Free Accommodation or House Rent Allowance:

Rent free furnished residential accommodation or House Rent Allowance upto 20% of basic salary.

iii) Children Education Allowance:

Children Education Allowance as per the Rules of the Company.

iv) Special Allowance:

Special Allowance as per the rules of the Company, presently ₹ 4,10,795 per month.

v) Medical Expenses:

Reimbursement of actual medical expenses incurred as per the rules of the Company.

vi) Mediclaim and Personal Accident Insurance:

Personal accident insurance policy in accordance with the scheme applicable to senior employees of the Company.

vii) Conveyance facilities:

Car hiring charges/Car EMI, Reimbursement of driver's salary, fuel expenses, car repairs and maintenance and car insurance renewal as per the rules of the Company.

viii) Communication facilities:

Reimbursement of residential telephone expenses as per the rules of the Company.

ix) Other Allowances and Perquisites:

Subject to overall ceiling on remuneration mentioned hereinbelow, Mr. Ashok Kumar Gupta may be given any other allowances, benefits and perquisites as the Board of Directors (which term shall include any Committee thereof) may decide from time to time.

Explanation:

Perquisites shall be evaluated as per Income-tax Rules, wherever applicable and in absence of any such rule, perquisites shall be evaluated at actual cost.

d) Statutory Payment including retiral benefits:

i) Contribution to Provident Fund

Company's contribution to Provident Fund up to such an amount in aggregate is not taxable under the Income Tax Act, 1961 and as may be decided by the Board of Directors from time to time.

ii) Superannuation/in lieu of superannuation:

Superannuation/amount in lieu of superannuation at the rate of 15% of the basic salary.

iii) Gratuity:

Gratuity as applicable as per the provisions of the relevant act and as per rules of the Company.

iv) Leave:

Leave with full pay or encashment thereof as per the rules of the Company.

II. Overall remuneration:

The aggregate of salary, allowances and perquisites in any financial year shall be governed by the provisions of Part II of Schedule V to the Companies Act, 2013 including any statutory modification(s) or re-enactment thereof as may, for the time being, be in force;

III. Other Terms and Conditions:

Other terms and conditions of appointment of Mr. Ashok Kumar Gupta, the Managing Director is as under:

a. The Managing Director shall not be paid any sitting fees for attending the meetings of the Board of Directors or Committees thereof.

b. The appointment of Mr. Ashok Kumar Gupta as Managing Director is subject to the provision of 167 of the Companies Act, 2013.

c. The appointment may be terminated by giving Two months' notice in writing or salary in lieu thereof."

"RESOLVED FURTHER THAT in case the Company has in any financial year no profits or if its profits are inadequate anytime during the tenure of Mr. Ashok Kumar Gupta as the Managing Director, he shall be paid the aforesaid remuneration as the Minimum Remuneration with the liberty to the Board of Directors (which term shall include any Committee thereof) to revise, amend, alter and vary the terms and conditions relating to the remuneration payable to the Managing Director in such manner as may be permitted in accordance with the provisions of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 or any modification thereto and as may be agreed by and between the Board and the Managing Director."

"RESOLVED FURTHER THAT the copies of this resolution certified to be true by any of the Directors/Key Managerial Personnel / Mr. Kausik Adhikari, Deputy Company Secretary, be furnished to the concerned authorities and/or any other person(s) as may be required."

By Order of the Board of Directors

Pradeep Parakh

Group President (GRC) & Company Secretary
(Membership No: FCS6171)

Place: Mumbai
Dated: August 13, 2019

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING ("MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY, IN ORDER TO BE EFFECTIVE, SHALL 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 PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY. 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 PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.**

2. Corporate members intending to send their authorised representatives to attend the Annual General Meeting are requested to send to the Company a certified true copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.

3. In case of joint holders attending the Meeting, only such joint holder who is higher in order of names will be entitled to vote.

4. In terms of Article 104 of the Articles of Association, read with Section 152 of the Companies Act, 2013, Mr. Ashok Kumar Gupta, Director (Group Operations) (DIN: 02608184), retires by rotation and being eligible, offers himself for reappointment. The Board of Directors recommends his reappointment.

5. Brief resume of all Directors re-appointed/appointed, nature of their expertise in specific functional areas, names of the companies in which they hold directorships, memberships/chairmanships for Board/Committees, shareholding and relationship between directors inter-se as stipulated in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 are provided in the annexure to the notice.

6. The Statement setting out the material facts pursuant to Section 102 of the Companies Act, 2013 ("the Act"), concerning the Special Business in the Notice is annexed hereto and forms part of this Notice.

7. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or arrangements in which the Directors are available for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, between 11.00 a.m. and 1.00 p.m. up to the date of the Annual General Meeting.

8. The Register of Members and Share Transfer Books of the Company shall remain closed from **Saturday, September 14, 2019** to **Friday, September 20, 2019** (both days inclusive) for the purpose of Annual General Meeting.

9. Members are requested to furnish their bank account details, change of address and all other required details to the Registrar & Share Transfer Agent in respect of shares if held in physical form. In case of shares held in electronic form, these details should be furnished to the respective Depository Participants (DPs).

10. The Securities and Exchange Board of India has mandated the submission of Permanent Account Number ("PAN") by every participant in the securities market. Members holding shares in electronic form are therefore, requested to submit their PAN card numbers/copies of PAN card to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/Registrar and Share Transfer Agent, M/s. Link Intime India Private Ltd.

11. To avoid fraudulent transactions, the identity/signature of the members holding shares in electronic/demat form is verified with the specimen signatures furnished by NSDL/CDSL and that of members holding shares in physical form is verified as per the records of the share transfer agent of the Company. Members are requested to keep the same updated.

12. For convenience of the members and for proper conduct of the meeting, entry to the place of the meeting will be regulated by way of attendance slip, which is annexed to this Notice. Members are requested to bring their Attendance Slip, sign the same at the place provided and hand it over at the entrance of the venue.

13. Members are requested to send all communications relating to shares to the Registrar and Share Transfer Agent of the Company at the following address:

    By Post/ Courier/ Hand Delivery
    M/s Link Intime India Private Limited
    Unit : Bajaj Hindusthan Sugar Limited
    C 101, 247 Park, L.B.S. Marg,
    Vikhroli West
    Mumbai 400 083
    Tel. No.: 022 49186000
    Fax No.: 022 49186060
    Email: rnt.helpdesk@linkintime.co.in

14. Pursuant to the provisions of Section 124 and 125 of the Companies Act, 2013 (corresponding to Section 205A to Section 205C of the Companies Act, 1956), all unclaimed/unpaid monies by way of dividend transferred to the "Unpaid Dividend Account" of the Company as contemplated under Section 124 of the Companies Act, 2013 (corresponding to Section 205A of the Companies Act, 1956) that remains unclaimed/unencashed for a period of 7 (seven) years from the respective date of such transfer has to be transferred by the Company to "The Investor Education and Protection Fund" (IEPF) being the fund established by the Central Government under Section 125 of the Companies Act, 2013 (corresponding to Section 205C(1) of the Companies Act, 1956) and no claims shall lie against the said Fund or the Company in respect thereof.

The details of dividends paid by the Company and the corresponding due dates for transfer of such unencashed dividend to the aforementioned Fund constituted by the Central Government are furnished hereunder:

Dividend for the year	Date of Declaration of Dividend	Due Date of transfer to The Investor Education and Protection Fund
2011-2012	14/02/2013	21/03/2020

Members who have not encashed/claimed the dividend warrant(s) so far in respect of the above financial years, are therefore, requested to make their claims to the Registered Office of the Company or M/s. Link Intime India Private Limited well in advance of the above due dates. Members are advised that once the unpaid/unclaimed dividend is transferred to IEPF, no claim shall lie in respect thereof.

The Ministry of Corporate Affairs (MCA) on 10th May, 2012 notified the IEPF (Uploading of information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012 (IEPF Rules), which is applicable to the Company. The objective of the IEPF Rules is to help the shareholders ascertain status of the unclaimed amounts and overcome the problems due to misplacement of intimation thereof by post etc. In terms of said IEPF Rules, the Company has uploaded the information in respect of the Unclaimed Dividends in respect of the financial years from 2009-2010, as on the date of the 86th Annual General Meeting held on 21st September 2018, on the website of the IEPF viz. www.iepf.gov.in and under 'Investors Section' on the website of the Company viz. www.bajajhindusthan.com

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

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

    Both the unclaimed dividends and the shares transferred to the IEPF can be claimed back by the concerned shareholders from IEPF Authority after complying with the procedure prescribed under the "Rules". For more details regarding claim of unclaimed/unpaid amount/shares please check http://www.iepf.gov.in/IEPFA/ refund.html.

16. Members can avail of the facility of nomination in respect of shares held by them in physical form pursuant to the provisions of Section 72 of the Companies Act, 2013 (corresponding to Section 109A of the Companies Act, 1956). Members desiring to avail of this facility may send their nomination in the prescribed Form No.SH.13 duly filled in to M/s. Link Intime India Private Limited at the above mentioned address or the Registered Office of the Company. Members holding shares in electronic form may contact their respective Depository Participants for availing this facility.

17. SEBI vide its notification dated June 8, 2018 as amended on November 30, 2018, has stipulated that w.e.f April 01, 2019, the transfer of securities (except transmission or transposition of shares) shall not be processed, unless the securities are held in the dematerialized form. The Company has complied with the necessary requirements as applicable, including sending of letters to shareholders holding shares in physical form requesting them to demat their physical holdings.

18. To comply with the above mandate, members who still hold share certificates in physical form are advised to dematerialize their shareholding to also avail numerous benefits of dematerialization, which include easy liquidity, ease of trading and transfer, savings in stamp duty and elimination of any possibility of loss of documents and bad deliveries.

19. As per the Companies Act, 2013 and rules made thereunder all documents to be sent to shareholders like General Meeting Notices (including AGM), Audited Financial Statements, Directors' Report, Auditors' Report, etc. henceforth to the shareholders in electronic form, to the e-mail address provided by them and made available to us by the Depositories. The physical copies of the annual report will also be available at our Registered Office for inspection during office hours.

    Members are also requested to register/update their email addresses, with the Depository Participant (in case of shares held in dematerialised form) or with Company/M/s. Link Intime India Private Limited, Registrar and Share Transfer Agent of the Company (in case of Shares held in physical form).

20. Electronic copy of the full annual report for 2018-2019 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 copies of the abridged annual report for 2018-2019 is being sent in the permitted mode.

21. Electronic copy of the Notice of the 87th Annual General Meeting of the Company 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 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 copies of the Notice

of 87th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.

22. Members may please note that the Notice of the 87th Annual General Meeting and the full Annual Report for 2018-2019 will also be available on the Company's website www.bajajhindusthan.com for the download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: investor.complaints@bajajhindusthan.com.

23. Members desiring any information relating to the accounts are requested to write to the Company well in advance so as to enable the management to keep the information ready.

24. **Voting through electronic means**

    In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and sub Regulation (1) & (2) of Regulation 44 of SEBI (LODR) Regulations, 2015, the Company is pleased to offer e-voting facilities to Members in respect of the business to be transacted at the 87th Annual General Meeting (AGM). The Company has engaged the services of National Securities Depository Limited (NSDL) as authorised agency to provide e-voting facility. It is clarified that it is not mandatory for a Member to vote using remote e-voting facility. In order to facilitate those Members, who do not wish to use the e-voting facility, the Company is enclosing a Ballot Form. Resolutions passed by Members through e-voting or ballot forms are deemed to have been passed as if they have been passed at the Annual General Meeting (AGM).

    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.

    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.

    The voting period begins on **Tuesday, September 17, 2019 (9:00 a.m.)** and ends on **Thursday, September 19, 2019 (5:00 p.m.)**. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date **September 13, 2019** may cast their vote electronically. The remote e-voting module shall be disabled by NSDL for voting thereafter.

    NOTE: The "remote e-voting" end time shall be 5.00 p.m. on the date preceding the date of annual general meeting and the cut-off date shall not be earlier than 7 days before the date of annual general meeting.

The instructions for shareholders voting electronically are as under:

A. Members whose e-mail ID(s) are registered with the Company/Depository Participants (CDSL/NSDL), the procedure to vote electronically is as under:

   The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

   Step 1 : Log-in to NSDL e-Voting system at https://www.evoting.nsdl.com/

   Step 2 : Cast your vote electronically on NSDL e-Voting system

   Details on Step 1 is mentioned below:

   i. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.

   ii. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.

   iii. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

iv. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12********** then your user ID is 12**********
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

v. Your password details are given below:

a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

c) How to retrieve your 'initial password'?

(i) If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

(ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.

vi. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

a) Click on **"Forgot User Details/Password?"** (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.

vii. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

viii. Now, you will have to click on "Login" button.

ix. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

(i) After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. then, click on Active Voting Cycles.

(ii) After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.

(iii) Select "EVEN" of company for which you wish to cast your vote.

(iv) Now you are ready for e-Voting as the Voting page opens.

(v) Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

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

(vii) You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

(viii) Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholder

(i) 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. with attested specimen signature of the duly authorized signatory(ies) who are authorised to vote, to the Scrutinizer by e-mail to CS: <prasanjit.baul@gmail.com> with a copy marked to evoting@nsdl.co.in.

(ii) It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

(iii) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in.

B. Members whose e-mail ID(s) are not registered with the Company/Depository Participants or request for a physical copy, the procedure to vote electronically is as under:

Initial password is provided as below/at the bottom of the Attendance Slip for the AGM sent with Annual Report:

REVSN (Remote e-voting Sequence Number) USER ID PASSWORD/PIN

To cast your vote, please follow step 1 and step 2 above, under the head how to cast your vote electronically.

C. If you already registered with NSDL for e-Voting then you can use his/her existing user ID and password/PIN for casting your vote.

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

E. 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 i.e. **September 13, 2019.**

NOTE: The cut-off date shall not be earlier than 7 days before the date of general meeting.

F. 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. **September 13, 2019,** may obtain the login ID and password by sending a request at evoting@nsdl.co.in. 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. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or write an e-mail to evoting@nsdl.co.in.

G. 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.

H. 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.

I. The Company has appointed M/s. Gupta Baul & Associates, Company Secretaries, as the Scrutinizer of the Company conducting the remote e-voting and Mr. Avinash Chaturvedi, Advocate, as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process at the AGM in a fair and transparent manner.

J. 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" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

NOTE: The Facility for Voting shall be decided by the Company i.e. "Ballot Paper".

K. 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 forty-eight hours 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.

L. The Results shall be declared by the Chairman or any other person authorized by him in writing on or within forty-eight hours of conclusion of the Annual General Meeting. The results declared shall be along with the consolidated Report of the Scrutinizer be placed on the website of the Company www.bajajhindusthan.com and on the website of NSDL immediately after the declaration of results. The results shall also be immediately forwarded to BSE and NSE where the equity shares of the Company are listed.

STATEMENT IN RESPECT OF THE SPECIAL BUSINESSES PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

The following Statement sets out all the material facts relating to the Special Business mentioned under Item No. 3 to 5 of the accompanying Notice.

In respect of Item No. 3

On recommendation of Audit Committee at its meeting held on May 22, 2019, the Board has considered and approved appointment of M/s B.J.D. Nanabhoy & Co., Cost Accountants, Mumbai, to conduct the cost audit for the year ending March 31, 2020 of the Company's Sugar, Distillery and Co-gen units located at Golagokarannath, Palia Kalan, Khambarkhera, Barkhera, Maqsoodapur, Kinauni, Thanabhawan, Budhana, Bilai, Gangnauli, Pratappur, Rudauli, Utraula, and Kundarkhi at an aggregate remuneration of ₹ 4,30,000/- (Rupees Four lakh thirty thousand only) plus service tax as applicable and reimbursement of actual travel and out of pocket expenses.

As per provisions of Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the cost auditor has to be ratified by the shareholders of the Company.

Accordingly, consent of the shareholders is sought for passing the Ordinary Resolution as set out at Item No. 3 of the Notice for ratification of the remuneration payable to the cost auditor for the financial year ending March 31, 2020.

The Board of Directors of the Company recommend passing of the Ordinary Resolution set out at Item No. 3 of the Notice.

None of the Directors of the Company and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in any way, in the said resolution set out at Item No. 3 of the Notice.

In respect of Item No. 4

The Company has received a letter dated May 21, 2019 from Punjab National Bank (PNB) for Nomination of Mr. Amir Singh Yadav in place of Mr. Rajeeva to represent PNB as Nominee Director on the Board of the Company. Mr. Amir Singh Yadav was appointed as Additional Director of the Company by the Board of Directors with effect from June 25, 2019. In terms of Section 161(1) of the Companies Act, 2013, Mr. Yadav holds office only up to the date of the forthcoming Annual General Meeting of the Company and is eligible for appointment as a Nominee Director of the Company.

Mr. Amir Singh Yadav aged 58 years is a professional banker having 34 years of experience. Mr. Yadav is presently designated as Circle Head - DGM, Noida Circle, Punjab National Bank, Noida. Mr. Yadav holds the degree of M.Com and CAIIB.

The other details of Mr. Amir Singh Yadav in terms of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, are annexed to this Notice.

The Company has received notice in writing from a member proposing the candidature of Mr. Amir Singh Yadav as a Nominee Director. Mr. Yadav has consented to continue as Nominee Director of the Company, if appointed.

Copy of the notice received under Section 160 of the Companies Act, 2013 is available for inspection by the members at the Registered Office of the Company during the business hours on all working days up to the date of the meeting.

The Board of Directors of the Company recommends passing of the Ordinary Resolution at Item No.4 of the Notice.

Mr. Amir Singh Yadav is interested in the Resolution pertaining to the appointment at Item No.4 of the Notice. Save as aforesaid, none of the Directors of the Company and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in any way, in the said resolution set out at Item No. 4 of the Notice.

In respect of Item No. 5

Mr. Ashok Kumar Gupta was re-appointed as Whole-time Director of the Company designated as Director (Group Operations) for a period of 5 (five) years from October 1, 2017 to September 30, 2022 and at the terms and remuneration in conformity with Schedule V of the Companies Act, 2013, which was approved by the members at 85th Annual General Meeting of the Company held on September 14, 2017.

Mr. Ashok Kumar Gupta aged 68 years, has been associated with the Company for 37 (Thirty-seven) years and possesses over 47 years of experience in Sugar Industry. Mr. Gupta has been awarded "Best Professional of The Year Gold Medal Award 2011" by the Sugar Technologists' Association of India, "GEM OF INDIA AWARD" by Council for National Development, New Delhi, "Lifetime Achievement Award" from Sugar Technologists' Association of India (STAI) for his outstanding contribution and better management of Cane Development, resulting in increase of the average sugar recovery rate of all mills of the Company from 9.14% to 11.40%.

Mr. Kushagra Bajaj is presently the Chairman & Managing Director of the Company. As per Regulation 17(1B) of the Securities & Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 [SEBI (LODR)], top 500 listed entities shall ensure that the chairperson of the board shall be a non-executive director and not related with the managing director or chief executive officer of the Company. To enable the Company to ensure such separation of the position of Chairman and Managing Director / CEO of the Company and as a good governance gesture, Mr. Kushagra Bajaj, Chairman and Managing Director of the Company has offered to relinquish the executive position while continuing on the Board of the Company in non-executive capacity. Mr. Kushagra Bajaj has since submitted his resignation as Managing Director of the Company which was accepted by the Board at its meeting held on August 13, 2019. The Board has also elected Mr. Kushagra Bajaj to continue as Chairman of the Board of Directors of the Company.

The Board of Directors at said meeting held on August 13, 2019 has, pursuant to the approval of the Nomination and Remuneration Committee of the Board and subject to the approval of the Members and such other approval(s)/permission(s)/consent(s) as may be required, approved to re-designate Mr. Ashok Kumar Gupta as the Managing Director of the Company with effect from August 14, 2019 till April 14, 2021 (being the date of attainment of seventy years by Mr. Ashok Kumar Gupta), on terms and conditions set out in Resolution at item No.5 of the Notice.

The Board has further proposed to pay the remuneration as stated in the resolution at Item No.5 of the Notice to Mr. Gupta as the Minimum Remuneration, in the event of absence or inadequacy of profits of the Company in any financial year during the tenure of Mr. Gupta as Managing Director of the Company, which may be in excess of the maximum remuneration payable to him in accordance with the provisions of the Companies Act, 2013 and can be paid only with the approval of the Shareholders by way of passing Special Resolution.

Statement as required under Section II, part II of the Schedule V of the Companies Act, 2013 with reference to Resolution at the Item No. 5 is annexed hereto marked as **Annexure – A.**

Pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013, re-appointment of Mr. Ashok Kumar Gupta as the Managing Director of the Company and payment of remuneration (including as minimum remuneration) is subject to the approval of shareholders by way of Special Resolution. The Board of Directors of the Company recommends passing of the Special Resolution at Item No.5 of the Notice.

A copy of the Resolution passed by the Board of Directors and the Nomination and Remuneration Committee at their respective meetings held on August 13, 2019 and written memorandum setting out the terms of appointments and remuneration as required under Section 190 of the Companies Act, 2013 are available for inspection by shareholders at the Registered Office of the Company during the office hours on any working days, except Saturdays between 11.00 A.M. and 1.00 P.M. up to September 20, 2019.

Mr. Ashok Kumar Gupta and his relatives may be deemed to be interested in the Resolution at Item No. 5 of the Notice. Save as aforesaid, none of the Directors of the Company and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in any way, in the said resolution set out at Item No. 5 of the Notice.

By Order of the Board of Directors

Pradeep Parakh

Group President (GRC) & Company Secretary
(Membership No: FCS6171)

Place: Mumbai
Dated: August 13, 2019

Details of Directors seeking appointment/re-appointment at the 87th Annual General Meeting in pursuance of Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015

Name of the Director	**Mr. Ashok Kumar Gupta**	**Mr. Amir Singh Yadav**
Director Identification Number	02608184	08481111
Date of Birth	15/04/1951	11/07/1961
Nationality	Indian	Indian
Date of appointment on the Board	01/10/2012	25/06/2019
Relationship with other director	None	None
Qualifications	M.Com	M.Com, CAIIB
Expertise in functional area	Operation of Sugar & Distillery plants	Professional Banker with 34 years of experience
Number of shares held in the Company	2900 equity shares of ₹ 1/- each	Nil
List of Directorships held in other Companies	Nil	Nil
Chairman/Member of the Committees of the Boards of other companies in which he/she is Director	Nil	Nil

'ANNEXURE–A' REFERRED TO IN THE EXPLANATORY STATEMENTS TO RESOLUTION AT ITEM NO. 5 OF THE NOTICE FOR 87TH ANNUAL GENERAL MEETING OF BAJAJ HINDUSTHAN SUGAR LIMITED

Statement as required under Section II, part II of the Schedule V of the Companies Act, 2013 with reference to the Resolution at Item No. 5 are as follows:

I. General Information:

(1) Nature of industry: Manufacturing of Sugar, Industrial Alcohol and Co-generation of Power.

(2) Date of expected date of commencement of commercial production: Existing Company already commenced commercial production since 1931.

(3) In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Existing Company not applicable.

(4) Financial performance based on given Indicators:

Sr. No.	Particulars	Audited figure for 12 month period ended 31.03.2019 (₹ in Crore)	Audited figure for 12 month period ended 31.03.2018 (₹ in Crore)	Audited figure for 18 month period ended 31.03.2017 (₹ in Crore)
1.	Revenue from operations	6,803.82	5,938.38	4,618.64
2.	Other income	163.61	166.93	162.27
3.	Total Expenses	6,500.66	5,655.53	3,763.14
4.	Finance Charges (net)	321.78	680.17	802.07
5.	Depreciation & Amortisation	211.33	196.91	214.12
6.	Profit / (Loss) before tax	-66.34	-427.30	1.58
7.	Provision for Tax Expenses	-2.26	-4.11	-5.82
8.	Profit / (Loss) after tax	-64.08	-423.19	7.40

(5) Export performance and net foreign exchange collaborations: Nil

(6) Foreign investment of collaborators, if any: Nil

II. Information about the appointee Mr. Ashok Kumar Gupta

(1) Background details:

Mr. Ashok Kumar Gupta aged 68 years, handles and supervises the overall production and other plant related activities of the Company. He has been associated with the Company for over three decades. Mr. Ashok Kumar Gupta was inducted on the Board of the Company as Director (Group Operations) on October 01, 2012. He has 47 years of experience in Sugar Industries.

(2) Past remuneration:

For the year ended March 31, 2019	₹ 1,11,29,756
For the year ended March 31, 2018	₹ 98,57,290
For the year ended March 31, 2017	₹ 87,76,612

(3) Recognition of awards:

a) Mr. Ashok Kumar Gupta, has been awarded "Best Professional of The Year Gold Medal Award 2011" by the Sugar Technologists' Association of India.

b) Mr. Ashok Kumar Gupta, has been awarded "GEM OF INDIA AWARD" on June 30, 2011 by Council for National Development, New Delhi on its 58th National Convention of National Building through Individual Achievements.

c) In 2019 Mr. Gupta has been awarded the most prestigious "Lifetime Achievement Award" from Sugar Technologists' Association of India (STAI) for his outstanding contribution and better management of Cane Development, resulting in turnaround of the recovery of Bajaj Group from 9.14% to 11.40%.

(4) Job profile and suitability: Mr. Ashok Kumar Gupta, Director (Group Operations) is responsible for overall production and other plant related activities. He has 47 years of experience in Sugar Industries. Mr. Ashok Kumar Gupta has been associated with the Company for over three decades.

(5) Remuneration proposed: As stated in Resolution at Item No. 5, the approval for shareholders by a Special Resolution is sought for payment of remuneration and also in case the Company has no profit or inadequate profit during the present tenure, the present remuneration be treated as minimum remuneration.

(6) Comparative remuneration profile with respect to industry size of the Company, profile of the position and person (in expatriates, the relevant details would be w.r.t. the country of origin): The Remuneration as proposed of Mr. Ashok Kumar Gupta is similar to that drawn by the peers in the similar capacity in the similar industry.

(7) Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any: Mr. Ashok Kumar Gupta holds 2900 equity shares of ₹ 1/- each in the Company. Other than these and the remuneration paid to Mr. Ashok Kumar Gupta, there is no other pecuniary relationship of Mr. Ashok Kumar Gupta, directly or indirectly with the Company or with its managerial personnel.

III. Other information:

(1) Reasons for loss or inadequate profits:

Internationally, all the leading sugar producing nations, viz., Brazil, Thailand and Australia, follow a formula for sugarcane pricing, whereby the sugarcane price is derived from the prevailing market price of sugar. Whereas in the State of Uttar Pradesh (where all the sugar mills of the Company are located), the sugarcane price is fixed by the Government in an arbitrary manner without any reference whatsoever to the prevailing sugar price in form of State Advised Price (SAP).

The secular increase in sugarcane price year after year in form of high SAP, is in stark contrast to the fluctuating sugar prices that have been comparatively quite low most of the times during last few years.

Another disruptive factor was the disparity in sugarcane price in Uttar Pradesh irrespective of sugar recovery, which was much higher than FRP (Fair & Remunerative Price) fixed by the Central Government.

On top of it, the sugar production in India during last few years witnessed an unprecedented leap resulting in sharp drop in sugar prices due to demand supply mismatch.

Furthermore a large amount on account of various incentives / subsidies under the U.P. Sugar Promotion Policy and the levy sugar price difference is held up with Government authorities. This is resulting in increased debt burden and consequently the interest cost.

(2) Steps taken or proposed to be taken for improvement:

The Company has taken certain initiatives towards operational efficiencies which have increased percentage of recovery and production of sugar. The average recovery of sugar from sugarcane increased to 11.40% as against 10.62% in the previous year. The Company's initiatives towards better financial management also reduced the finance cost on Company's borrowings during the financial year.

(3) Expected increase in productivity and profits in measurable terms:

The Company is the largest producer of sugar in U.P. with sugarcane crushing capacity of 1,36,000 TCD. The continuous efforts for improving the operational efficiencies and value-additive utilisation of its by-products are expected to improve the productivity as also the profitability.

The alcohol manufacturing capacity of the Company is 800 KL per day, improved prices of industrial alcohol and ethanol are likely to add to both – Company's top-line and bottom-line.

Company's capability of generating an exportable surplus of 90 MW which can be supplied to the local grid, from its overall co-generation capacity provides the Company with necessary insulation from the cyclicality associated with its sugar business.

In view of the improvement in recovery of sugar coupled with various positive initiatives taken by the Government, the Company expects that the productivity and profitability shall improve and would be comparable with the industry average.

IV. Disclosures:

(1) Remuneration package of the managerial person: Fully described in the respective Resolution and/or Explanatory Statement;

(2) Disclosures in the Board of Directors' report under the heading 'Corporate Governance' is to be attached to the Annual Report in respect of the following:

i. All elements of remuneration package such as salary, benefits, stock options, pension etc. of all the directors;

ii. Details of fixed component and performance linked Incentives along with the performance criteria;

iii. Service contracts, notice period, severance fees;

The requisite details in respect of para 2(i) to 2(iii) in respect of all Directors are given in the Corporate Governance Report for the financial year ended March 31, 2019 attached to the 87th Annual Report.

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Bajaj Hindusthan Sugar Limited
CIN: L15420UP1931PLC065243
Registered Office: Golagokarannath, Lakhimpur-Kheri, District Kheri, Uttar Pradesh 262802
Tel.: +91-5876-233754/5/7/8, 233403, **Fax:** +91-5876-233401,
Website: www.bajajhindusthan.com, **Email:** investor.complaints@bajajhindusthan.com

Form No. MGT-11

PROXY FORM

[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: _____

_____

Email ID: _____ Folio No./Client ID/DP ID: _____

I/We, being the member(s) of and hold/holds _____ shares of the above named Company, hereby appoint:

1. Name :_____ E-mail ID : _____
   Address : _____
   _____ Signature: _____ or failing him/her
2. Name :_____ E-mail ID : _____
   Address : _____
   _____ Signature: _____ or failing him/her
3. Name :_____ E-mail ID : _____
   Address : _____
   _____ Signature: _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 87th Annual General Meeting of the Company, to be held on Friday, September 20, 2019 at 11.00 a.m. at the Conference Hall, General Office, Bajaj Hindusthan Sugar Limited, Golagokarannath, Lakhimpur-Kheri, District Kheri, Uttar Pradesh 262 802 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution	For*	Against
Ordinary Business		
1. Adoption of financial statements for the year ended as at March 31, 2019 and the Reports of the Directors and Auditors thereon.	☐	☐
2. Re-appointment of Mr. Ashok Kumar Gupta, Director (Group Operations) (DIN: 02608184), who retires by rotation and being eligible offers himself for re-appointment.	☐	☐
Special Business		
3. Ratification of the remuneration payable to cost auditors for the year 2019-2020.	☐	☐
4. Appointment of Mr. Amir Singh Yadav (DIN: 08481111) as Nominee Director of the Company, liable to retire by rotation	☐	☐
5. Re-designation of Mr. Ashok Kumar Gupta, Director (Group Operations) (DIN: 02608184), as Managing Director with effect from August 14, 2019 till April 14, 2021 with amended terms and remuneration	☐	☐

This is optional. Please put a tick mark (√) in the appropriate column against the resolutions indicated in the box. If a member leaves the "For" or "Against" column blank against any or all the Resolutions, the proxy will be entitled to vote in the manner he/she thinks appropriate. If a member wishes to abstain from voting on a particular resolution, he/she should write "Abstain" across the boxes against the Resolution.

Signed ..... day of ..... 2019.

Affix 15 Paise Revenue Stamp

Signature of the proxy holder(s)_____

Notes:

*1. Please put a "X" in the Box in the appropriate column against the respective resolutions. If you leave the "For" or Against column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
2. This form of proxy in order to be effective, should be duly completed, stamped, signed and deposited at the registered office of the Company, not less than 48 hours before the commencement of the meeting.
3. For the Resolutions, Statement setting out material facts thereon and notes, please refer to the Notice of the 87th Annual General Meeting.

Bajaj Hindusthan Sugar Limited

CIN: L15420UP1931PLC065243
Registered Office: Golagokarannath, Lakhimpur-Kheri, District Kheri, Uttar Pradesh 262 802
Tel.:+91-5876-233754/5/7/8, 233403**, Fax:** +91-5876-233401**,**
Website:www.bajajhindusthan.com, **Email:** investor.complaints@bajajhindusthan.com

ATTENDANCE SLIP FOR 87TH ANNUAL GENERAL MEETING

(Please bring this Attendance Slip to the Meeting Hall and hand it over at the entrance)

Sr. No.

Folio No./DP ID/Client ID No. :

Name of the Shareholder :

Registered Address of the Shareholder :

Jointly with :

No. of Shares :

I/We hereby record my/our presence at the 87th Annual General Meeting of the Company on **Friday, September 20, 2019 at 11.00 a.m. at the Conference Hall, General Office, Bajaj Hindusthan Sugar Limited, Golagokarannath, Lakhimpur-Kheri, District Kheri, Uttar Pradesh 262 802.**

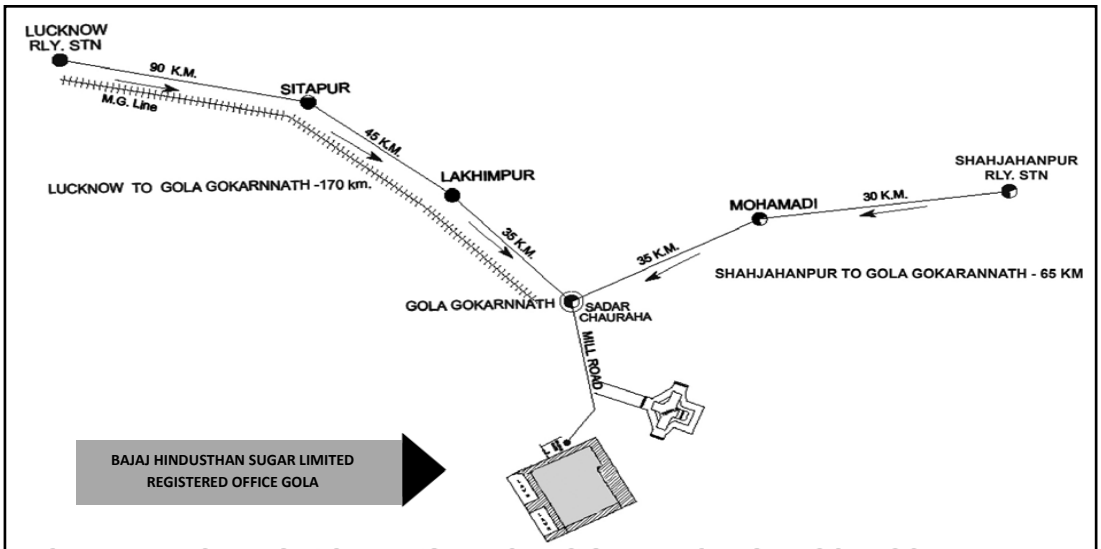
First/Sole holder/Proxy	Second holder/Proxy	Third holder/Proxy	Fourth holder/Proxy

FOR IMMEDIATE ATTENTION OF THE SHAREHOLDERS

Shareholders may please note the user ID and Password given below for the purpose of remote e-voting in terms of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) as amended by the Companies (Management and Administration) Amendment Rules, 2015. Detailed instructions for remote e-voting are given in the 87th AGM Notice.

REVSN (Remote e-voting Sequence Number)	USER ID	PASSWORD/PIN

LOCATION OF THE CONFERENCE HALL, GENERAL OFFICE OF BAJAJ HINDUSTHAN SUGAR LIMITED



ROAD MAP FROM LUCKNOW RLY STN. TO REGISTERED OFFICE - GOLA GOKARANNATH

AND

SHAHJAHANPUR RLY STN. TO REGISTERED OFFICE - GOLA GOKARANNATH

Notes:

1. Registration will start at 10.00 a.m. on the day of Annual General Meeting (AGM).

2. Members are required to submit their duly signed Attendance Slips and get their entry passes stamped.

3. Members should submit their entry passes at the entrance of the Conference Hall, General Office, BHSL for attending the AGM.

4. Members are informed that 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.

5. This Attendance Slip is valid only in case shares are held on the date of the meeting.

6. Members who have received Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit duly filled in Attendance Slip at the entrance hall to attend the AGM.

Electronic Voting (e-Voting):

7. The business, as set out in the Notice, will be transacted through e-voting. Members are requested to refer to the detailed procedure on e-voting provided in the Notice of AGM.

bajaj GROUP
THINK TOMORROW

88 YEARS OF SERVING THE NATION.
88 YEARS OF BUILDING TRUST.

bajaj SUGAR | Bajaj Hindusthan Sugar Ltd.

EIGHTY SEVENTH ANNUAL REPORT 2018-19

Glimpses of CSR programme

- **1,120** Villages reached
- **2,10,134** Families covered
- **10,38,104** Population benefited

Promotion of non-conventional energy sources

4,914 Biogas plants installed

379 Domestic solar light supported to needy families

Promotion of indigenous cows

7,879 Families supported for indigenous cows

Women empowerment

3,932 Self Help Groups formed

50,856 Families benefited

8,573 Families covered under kitchen garden intervention

6,113 Families benefited under Rural Enterprise

190 Families covered under needy families support

Skill and entrepreneurship development

5,009 Youth benefited under Skill Development Programme

Design for change

207 Projects completed

7,186 Students covered

170 Video clips uploaded on YouTube

Village institutions

5,124 Village institutions established

Water resource development and soil conservation structures

235 Rivers / streams of 586 km rejuvenated

97 Check dams constructed

3,169 Farm ponds/recharge structures constructed

2,128 Wells recharged through rainwater

249 Group wells constructed

1,512 Lift irrigation systems established

32 Percolation tanks constructed

5,488 Drip and sprinkler irrigation system installed

2,230 Boribundh installed

1,267 Acres of farm bunds formed

2,225 Gabion structures formed

880 Roof rainwater harvesting structures constructed

89 Group recharge structures established

1,287 Acres of land levelled and brought under cultivation

Promotion of Sustainable Agriculture

11,276 Families covered under Convergence of Agricultural Interventions in Maharashtra's (CAIM) project

11,000 Families adopted Better Cotton Initiative programme (BCI)

13,498 Families benefited under horticulture development intervention

11,912 Farmers adopted indigenous cow-based natural farming

10 Honey bit units installed

138 Grameen fridge constructed

292 Cattle drinking systems installed

556 Chaff cutters supported to the families

To support Swachh Bharat Abhiyan, encouraged villagers for clean their villages, and also organised the health camps. A village sanitation drive at Village Giroli, Wardha

Cultivation of turmeric under natural farming practices inspiring many women farmers

Students from School of Village Khadki, Wardha got best project award on project "Support to farmers for Bollworm attached on Cotton crop"

Cultivation of onion for seed under natural farming

Digitisation of Record of Self Help Groups (SHGs) ease in keeping the record and bring in authenticity in transaction of SHG group. A meeting with digitised SHG group at Wardha

Demonstration of preparation of various natural formulation boost the confidence of farmers under natural farming. A demonstration training to farmers organised at Village Mandava, Wardha

Women of SHG have initiated cloth " Khadi" making with installation of Kargha unit at village level. Training of cloth weaving at Village Kakadara

Construction of recharge pits serve rainwater harvesting as well as reduce the waterlogging in the farmer's field. This structure increases the groundwater table

Awareness camps on various opportunities women have in their village for income generation organised regularly at village level

Our Partners in CSR Initiatives

- Rural Community of Wardha (Maharashtra) and Sikar District (Rajasthan)
- Government of Maharashtra and Rajasthan
- Tata Trusts
- National Bank for Agriculture & Rural Development (NABARD)
- International Fund for Agriculture Development (IFAD)
- Maharana Pratap University of Agriculture and Technology (MPUAT)
- Nehru Yuva Kendra Sangathan, Ministry of Youth Affairs and Sports, Govt. of India
- Krishi Vigyan Kendra, Fatehpur
- International Horticulture Innovation and Training Centre, Jaipur

Chairman's letter

Dear Shareholders,

In any industry, the event of production reaching historical heights is usually a cause for celebration. For the sugar industry, however, it is not necessarily that sweet an occasion. With production reaching 33 million tonnes this year and the next year opening stock at 14.62 million tonnes as per ISMA (Indian Sugar Mills Association), the industry will be witness to record inventories. In spite of a potential 4 million tonnes shortfall in production next year, due to drought in the states of Maharashtra and northern parts of Karnataka, the industry will still be facing piled-up inventories. Add to this, the ₹19,000 crore of dues to be paid to cane farmers, and we have a very busy year ahead of us to rethink and re-strategise along with the Government to look for ways and means to address the host of concerns for the ailing sugar industry.

In the past year, we witnessed efforts by the Government to reduce the dues to sugar cane farmers and a direct provision of financial support to the industry. Export subsidies and policies on ethanol capacity creation were meant to bring in some financial prudence. While these were welcome measures, the desired relief and benefits are not yet visible.

The welcome step of raising of minimum sales price of sugar (sugar MSP) to ₹ 31 a kilo, though provided some relief but is still way below the average cost of production. The sugar MSP has to be more realistic. Introducing an element of dual pricing would be a welcome step, where sugar used for industrial purposes could be sold at a free market price, while sugar MSP could be reserved for the retail market. This would be a good step that would enable a test of free market pricing of sugar albeit in a limited manner.

The Government's support in creation of capacity for Ethanol production will go a long way in improving the bottom line for sugar producers. A constant demand for ethanol from oil companies is important so that these new production capacities don't become an added challenge for the industry. Increasing the blending proportion from 7% to higher levels would help propel this demand. This would have a sustained effect on the future of the ethanol industry and give ethanol production long-term financial viability.

Present international sugar prices do not provide much relief for sugar exporters and it is essential to extend export subsidies. Several mills have not been able to fully avail their export subsidies as over 35% of the industry were not able to participate due to production deficiencies or other reasons. There were also a few who could have exported more, but whose quotas were capped. These issues need to be addressed to reap benefits from the export markets. The good news is next year there is an expected supply dearth of 2 million to 4 million tonnes in global markets that should bring prices up. The mill-specific export quota regime should be broad-based and converted to an industry-specific export target. This would enable better utilisation of the export targets and would not limit those who want to export more.

Increasing the target to 7 million tonnes next year from the present 5 million tonnes would also ease the domestic inventory status. Improved logistic infrastructure for exports would provide a helping hand too. As an example, Bangladesh imports 2.5 million tonnes of sugar from India which could be better facilitated through the waterways, and both the governments are now addressing this jointly at a policy level. Quick execution such as this could help the sugar industries based in the Northern parts of India.

Your Company continues to be the leading sugar and ethanol manufacturer in India with its fourteen sugar plants having an aggregate sugarcane crushing capacity of 1,36,000 TCD, six distilleries having aggregate capacity to produce Industrial Alcohol of 800 kilo litres per day, and fourteen

co-generation plants having a total power generation capacity of 449 MW. During the year ended March 31, 2019, the Company processed 16.761 MMT of sugarcane as against 14.765 MMT in the previous year. The Company sold 19,53,160 MT of sugar and 3,28,600 MT of molasses during the year as against 14,62,198 MT of sugar and 1,21,136 MT of molasses during the previous year. The Industrial Alcohol / Ethanol production was 1,07,724 KL as against 1,13,165 KL in the previous year. Alcohol / Ethanol sale during the year was at 1,24,841 KL as against 1,17,323 KL during the previous year. During the year, Power generation at fourteen of our plants were at 949.4 Million Units (MUs) as against 852.2 MUs in the previous year. The Company exported 338.9 MUs of power as against 316.5 MUs during the previous year.

The resounding mandate for the incumbent Government at the Centre will create stability and favourable evolution of policies at all levels. We, at Bajaj Hindusthan, look forward to supporting the building of this great nation in all spheres and segments of the society. We are happy to partner the society and the government in propelling our economy to create a "New India" which we all aspire to.

As always we take great pride in our excellent team of employees whose unfailing commitment has led us into another successful year. We are an industry where our input costs are fixed, and our output prices are defined through policy. Our managers successfully steer production and use financial foresight to execute and manage businesses despite that. The team has become adept at reinventing the wheel to circumvent every challenge that appears before them.

We are optimistic about the future. We are hopeful that the central and state governments will use this decisive mandate to bring about policy changes to minimise regulation of the sugar industry so that we can look forward to a period of robust growth. Linking cane prices to market prices of sugar remains the biggest enabler to ensuring robust growth for the sugar industry.

I take this opportunity to thank all the stakeholders including central and state government authorities, bankers, shareholders, suppliers, customers, and business associates for their support in managing the Company.

Warm regards,

Kushagra Bajaj

Chairman & Managing Director

5 YEARS PERFORMANCE TRENDS : 2015-2019

₹ Crore

BALANCE SHEET	31.03.2019	31.03.2018	31.03.2017	31.03.2016	31.03.2015
ASSETS					
Non-current assets					
Property, plant and equipment	7,390.08	7,535.76	7,728.17	7,937.16	8,157.72
Capital work-in-progress	16.56	65.79	36.05	18.74	8.26
Other intangible assets	0.00	0.00	0.00	0.00	0.00
Financial assets					
Investments	251.27	1,055.92	1,108.30	1,132.49	1,152.95
Other non-current financial assets	3.99	2.35	4.93	3.83	3.66
Other non-current assets	12.97	13.59	21.79	19.92	24.27
Sub total	7,674.87	8,673.41	8,899.24	9,112.14	9,346.86
Current assets					
Inventories	2,764.98	2,847.88	3,009.52	1,924.12	2,179.29
Financial assets					
Current investments	770.13	-	-	-	-
Trade receivables	206.05	192.43	165.58	300.16	165.78
Cash and cash equivalents	48.10	31.28	30.09	41.17	59.93
Bank balances	11.42	23.39	51.41	78.10	29.95
Loans	2,146.58	2,002.04	1,855.71	1,710.83	1,564.40
Current tax assets (net)	3.76	4.41	21.63	20.72	23.81
Other current assets	779.81	817.82	769.68	767.41	833.79
Sub total	6,730.83	5,919.25	5,903.62	4,842.51	4,856.95
Total	**14,405.70**	**14,592.66**	**14,802.86**	**13,954.65**	**14,203.81**
EQUITY AND LIABILITIES					
Equity					
Equity share capital	110.07	110.07	110.07	108.39	77.73
Other equity	3,294.98	3,387.79	3,833.44	3,849.39	3,440.13
Sub total	3,405.05	3,497.86	3,943.51	3,957.78	3,517.86
Liabilities					
Non-current liabilities					
Financial liabilities					
Borrowings	5,382.09	5,892.42	5,459.79	6,219.80	6,994.64
Provisions	53.75	43.35	40.23	29.02	26.58
Deferred tax liabilities (net)	629.46	642.54	653.13	665.52	679.06
Other non-current liabilities	21.74	13.70	8.73	9.18	9.79
Sub total	6,087.04	6,592.01	6,161.88	6,923.52	7,710.07
Current liabilities					
Financial liabilities					
Borrowings	-	156.26	242.74	-	-
Trade payables	4,161.92	3,372.67	2,785.87	2,195.72	2,789.84
Other financial liabilities	663.91	773.32	1,369.64	693.02	31.76
Other current liabilities	76.20	190.60	123.41	63.97	60.49
Provisions	11.58	9.94	175.81	120.64	93.79
Sub total	4,913.61	4,502.79	4,697.47	3,073.35	2,975.88
Total	**14,405.70**	**14,592.66**	**14,802.86**	**13,954.65**	**14,203.81**

₹ Crore

NET INCOME STATEMENT Year / period ended	31.03.2019	31.03.2018	31.03.2017	31.03.2016	31.03.2015
INCOME					
Revenue from operations	6,803.82	5,938.38	4,618.64	4,882.62	4,694.08
Other income	163.61	166.93	162.27	155.98	186.05
Total	**6,967.43**	**6,105.31**	**4,780.91**	**5,038.60**	**4,880.13**
EXPENSES					
Purchases and materials consumed	5,658.63	4,900.53	4,037.88	3,127.29	3,704.54
Manufacturing & other expenses	735.61	757.60	758.06	680.93	722.88
Changes in inventories of finished goods and work-in-progress	106.42	(2.60)	(1,032.80)	281.23	424.88
Total	**6,500.66**	**5,655.53**	**3,763.14**	**4,089.45**	**4,852.30**
Profit/ (loss) before depreciation, interest and tax (PBIDT)	**466.77**	**449.78**	**1,017.77**	**949.15**	**27.83**
Finance cost	321.78	680.17	802.07	848.38	888.94
Depreciation and amortisation	211.33	196.91	214.12	223.98	239.94
	533.11	877.08	1,016.19	1,072.36	1,128.88
Profit / (loss) before exceptional items and tax	**(66.34)**	**(427.30)**	**1.58**	**(123.21)**	**(1,101.05)**
Exceptional items	-	-	-	-	3.83
Profit / (loss) before tax (PBT)	**(66.34)**	**(427.30)**	**1.58**	**(123.21)**	**(1,097.22)**
Tax expense	(2.26)	(4.11)	(5.82)	(3.42)	-
Profit / (loss) after tax (PAT)	**(64.08)**	**(423.19)**	**7.40**	**(119.79)**	**(1,097.22)**
Dividend	-	-	-	-	-

Board of Directors

Kushagra Bajaj
Chairman & Managing Director (Promoter)

M. L. Apte
Non-Executive Director (Independent)

D. K. Shukla
Non-Executive Director (Independent)

Alok Krishna Agarwal
Non-Executive Director (Independent)

Vipulkumar S. Modi
Non-Executive Director (Independent)

Shalu Bhandari
Non-Executive Director (Independent)

Ashok Mukand
Nominee Director (SBI)

Rajeeva
Nominee Director (PNB)
(up to April 22, 2019)

Amir Singh Yadav
Nominee Director (PNB)
(w.e.f. June 25, 2019)

Ashok Kumar Gupta
Director (Group Operations)

Company Secretary
Pradeep Parakh
Group President (GRC) & Company Secretary

Chief Financial Officer
Alok Kumar Vaish
Chief Financial Officer (w.e.f. August 10, 2018)

Ved Prakash Agrawal
Chief Financial Officer (up to August 09, 2018)

Statutory Auditors
Chaturvedi & Shah LLP
Chartered Accountants

Cost Auditors
B.J.D. Nanabhoy & Co.
Cost Accountants

Secretarial Auditor
Anant B Khamankar & Co.
Company Secretaries

Bankers

Allahabad Bank
Bank of Baroda
Bank of India
Bank of Maharashtra
Central Bank of India
Corporation Bank
Canara Bank
IDBI Bank Limited
Indian Overseas Bank
Oriental Bank of Commerce
Punjab National Bank
State Bank of India
UCO Bank

Registered Office
Golagokarannath, Lakhimpur-Kheri,
District Kheri, Uttar Pradesh - 262 802
Tel.: +91-5876-233754/5/7/8, 233403
Fax: +91-5876-233401
Website: www.bajajhindusthan.com
CIN: L15420UP1931PLC065243

Registrar & Transfer Agent
Link Intime India Private Limited
C 101, 247 Park
L.B.S. Marg, Vikhroli West
Mumbai - 400 083
Tel.: +91-22-49186000
Fax: +91-22-49186060
E-mail: rnt.helpdesk@linkintime.co.in

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Directors' Report

Dear Members,

Your Directors have pleasure in presenting their Eighty Seventh annual report and the audited financial statements for the year ended March 31, 2019.

Financial highlights

The summarised financial results of the Company for the year ended March 31, 2019 are presented below:

₹ Crore

	Year ended March 31, 2019	Year ended March 31, 2018
Sales and other income	**6,967.43**	6,105.31
Profit/(Loss) before depreciation, interest and tax	**466.77**	449.78
Depreciation and amortisation	**211.33**	196.91
Profit/(Loss) after depreciation but before interest and tax	**255.44**	252.87
Finance costs (Net)	**321.78**	680.17
Profit/(Loss) before tax	**(66.34)**	(427.30)
Provision for taxation (Net)	**(2.26)**	(4.11)
Profit/(Loss) after tax	**(64.08)**	(423.19)
Opening balance b/f	**(1,033.92)**	(610.41)
Disposable surplus after adjustments	**(1,098.00)**	(1,033.60)
Transfer to reserve for molasses storage tank	**1.18**	0.32
Balance carried to balance sheet	**(1,099.18)**	(1,033.92)

On a standalone basis, the Company achieved a turnover (including other income) of ₹ 6,967.43 crore for the year ended March 31, 2019 as compared to ₹ 6,105.31 crore in the previous year. The Loss after tax is ₹ 64.08 crore as compared to the loss of ₹ 423.19 crore in the previous year. On a consolidated basis, the turnover including other income is ₹ 6,902.28 crore as compared to ₹ 6,043.69 crore in the previous year. The loss after tax and minority interest is ₹ 136.57 crore as against loss of ₹ 499.64 crore in the previous year.

Dividend

In view of loss during the year under review, your Directors do not recommend any dividend for the current Financial Year. (Previous year - Nil)

Dividend distribution policy

The Board of Directors at its meeting held on February 13, 2017 approved the Dividend Distribution Policy containing the requirements mentioned in regulations 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The policy is annexed as "Annexure I" and forms part of this Report.

Operations

The Company continues to be the leading sugar and ethanol manufacturing Company in India with its fourteen sugar plants having an aggregate sugarcane crushing capacity of 1,36,000 TCD, six distilleries having aggregate capacity to produce Industrial Alcohol of 800 kilolitres per day and fourteen co-generation plants having a total power generation capacity of 449 MW.

During the year, the operations at all the sugar, distillery and co-generation plants were satisfactory.

Sugar

During the year ended March 31, 2019, the Company crushed 16.761 MMT of sugarcane as against 14.765 MMT in the previous year. The average recovery of sugar from sugarcane is higher due to conducive weather condition and high yield cane varieties. This year, sugar recovery was 11.40% as against 10.62% in the previous year. During the year, the Company produced 19,10,112 MT sugar (previous year 15,60,093 MT) and 7,75,934 MT molasses (previous year 6,90,184 MT).

The Company sold 19,53,160 MT of sugar and 3,28,600 MT of molasses during the year as against 14,62,198 MT of sugar and 1,21,136 MT of molasses during the previous year.

Distillery

The Industrial Alcohol / Ethanol production was 1,07,724 KL as against 1,13,165 KL in the previous year. Alcohol / Ethanol sale during the year was at 1,24,841 KL as against 1,17,323 KL during the previous year.

Power

The operations of power generation were smooth at all the fourteen plants. While most of the power generated by us continued to be used for captive consumption to run our plants, the surplus power was sold to the Uttar Pradesh state grid.

During the year, Power generation was at 949.4 Million Units (MUs) as against 852.2 MUs in the previous year. The Company exported 338.9 MUs of power as against 316.5 MUs during the previous year.

Sale of shares

As per the Master Restructuring Agreement dated December 30, 2014 and the Master Framework Agreement dated December 16, 2017 executed with the lenders to implement the debt restructuring scheme, the Company is under obligation to divest its non-core assets. Accordingly, it was proposed to sell the entire 1,54,39,900 Equity Shares of ₹ 10/- each, constituting 17.51% of the paid-up capital of Lalitpur Power Generation Company Limited ("LPGCL") held by the Company. The shareholders at an Extra ordinary general meeting held on August 04, 2018 approved the sale of LPGCL shares held by the Company to Bajaj Energy Limited (BEL), a group company. Bajaj Energy Ltd. is proposing an IPO of ₹ 5,450 crore, DRHP for which was filed with SEBI on April 5, 2019. A part of the funds to be received by BEL under the proposed IPO, shall be utilised to facilitate providing funds to BHSL. The sale of shares will be concluded after completion of IPO of BEL.

Listing of securities

The Company's equity shares are listed on the BSE Limited and National Stock Exchange of India Limited. The Annual Listing fees to each of these Stock Exchanges have been paid by the Company.

Subsidiary and Associate Companies

As on March 31, 2019, the Company had the following Subsidiaries and Associates, all of them are presently unlisted:

Subsidiaries:

1. Bajaj Aviation Private Limited (BAPL) – (Holding 100%).
2. Bajaj Power Generation Private Limited (BPGPL) – (Holding 100%).
3. Bajaj Hindusthan (Singapore) Private Limited (BHSPL) – (Holding 100%).
4. PT. Batu Bumi Persada, Indonesia – (step down subsidiary being 99.00% subsidiary of BHSPL).
5. PT. Jangkar Prima, Indonesia – (step down subsidiary being 99.88% subsidiary of BHSPL).

Associate:

1 Bajaj Ebiz Private Limited – (Holding 49.50%).

Performance and financial positions of subsidiaries and associates

a) Bajaj Aviation Private Limited: BAPL continued to provide Air Transport Services through Air Craft – Falcon LX 2000. In addition to this, the Company also leased out its Helicopter – Bell 407 to another Company providing Air Transportation Services.

b) Bajaj Power Generation Private Limited: No substantial progress could be made as regards proposed 1980 MW (3x 660 MW) power project to be set up by the Company through its wholly-owned subsidiary, Bajaj Power Generation Private Limited (BPGPL), primarily due to non-execution of water use agreement. While the Company continued its all-out efforts to seek confirmation from Uttar Pradesh Power Corporation Limited (UPPCL) to facilitate supply of water, in absence thereof it could not obtain coal linkage from Standing Linkage Committee. On the other hand, the Company received a termination notice from UPPCL to terminate Power Purchase Agreement (PPA). The Notice was duly contested by the Company, leading to litigation in this regard. Consequently, pursuant to an Order passed by Uttar Pradesh Electricity Regulatory Commission, the PPA stands terminated.

   In view of the progress already made during the earlier years, BPGPL is exploring various alternatives and taking necessary steps for setting up the project.

c) Bajaj Hindusthan (Singapore) Private Limited: BHSPL through its two subsidiaries in Indonesia, continued to hold coal mines in Indonesia which are in the process of being developed.

d) PT. Jangkar Prima (PTJP), Indonesia and PT. Batu Bumi Persada (PTBBP), Indonesia: PTJP and PTBBP are engaged in the business of Mining and Mining services including consulting, planning, implementation and testing of equipment

in the field of construction of mining. These subsidiaries are in the process of development of a coal mine and received various clearances in this regard except for the forestry clearance and the clearance for the jetty site for which necessary efforts to expedite the matter with concerned authorities are being made. Operation of coal mine is expected to start in the next one year.

e) Bajaj Ebiz Private Limited: Bajaj Ebiz did not carry out any business during the year.

Pursuant to the provisions of Section 129 of the Companies Act, 2013 and Rule 5 of the Companies (Accounts) Rules 2014, statement containing the salient features of the financial statements of its subsidiaries/associate companies in the manner prescribed under the Companies Act, 2013 is given as Annexure to the Consolidated Financial Statements.

Consolidated financial statements

In compliance with Section 129(3) of the Companies Act, 2013 and Rules made thereunder, Indian Accounting Standard (Ind AS) 110, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Consolidated Financial Statements form part of this Annual Report. Consolidated Financial Statements presented by your Company include financial information about its aforesaid subsidiaries and associates. The standalone financial statements of BHSL as well as its aforesaid subsidiaries and its associates will be available on the website of the Company (www.bajajhindusthan.com).

Directors and Key Managerial Personnel

Retirement by rotation

Ashok Kumar Gupta (DIN: 02608184), Director (Group Operations) of the Company will retire by rotation and being eligible offers himself for reappointment.

Appointment of Mr. Ashok Kumar Gupta is in compliance with the provisions of Section 164(2) of the Companies Act, 2013.

Cessation of Director

Mr. Rajeeva (DIN: 08128796), Nominee director ceased to be a director of the Company with effect from April 22, 2019 pursuant to withdrawal of nomination by Punjab National Bank. The Board placed on record its appreciation for the valuable services rendered by Mr. Rajeeva.

Appointment of Directors and Key managerial personnel

The shareholders through postal ballot (result declared on March 26, 2019) approved Re-appointment of Mr. M. L. Apte (DIN: 00003656), Mr. D. K. Shukla (DIN: 00025409) and Mr. Alok Krishna Agarwal (DIN: 00127273) as Independent Directors of the Company as per Section 149 of the Companies Act, 2013 for a second term of 5 (five) consecutive years with effect from April 01, 2019 to March 31, 2024. Independent Directors have been re-appointed for a period of five years and shall not be liable to retire by rotation. The profile of the Independent Directors forms part of the Corporate Governance Report.

During the year Mr. Ved Prakash Agrawal, ceased as Chief Financial Officer (CFO) of the Company with effect from August 09, 2018 due to retirement from the services of the Company. The Board placed on record its sincere appreciation of the valuable services rendered by Mr. Ved Prakash Agrawal during his tenure as CFO of the Company.

Mr. Alok Kumar Vaish, aged 51 years was appointed as the Chief Financial Officer of the Company with effect from August 10, 2018. Mr. Vaish is working with the Company since March 26, 2004 and is a Chartered Accountant since 1991. Mr. Vaish has over 25 years of professional experience in the field of Finance & Accounts. Prior to joining us, Mr. Vaish had worked with A.M. Securities Ltd., Shree Janki Solvent Extraction Ltd. and Oswal Chemicals & Fertilizers Ltd.

Board evaluation

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration and other Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

Induction and training of Board members

The process followed by the Company for induction and training to Board members has been explained in the Corporate Governance Report.

Independent directors' declaration

The Company has received the necessary declaration from each Independent Director in accordance with Section 149(7) of the Companies Act, 2013, that he/she meets the criteria of independence as laid out in sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Directors' responsibility statement

Pursuant to the requirement of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, your Directors confirm that:

(i) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(ii) the directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of loss of the Company for that year;

(iii) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(iv) the directors had prepared the annual accounts on a going concern basis;

(v) the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

(vi) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Auditors and auditors' report

Auditors and their report

Chaturvedi & Shah LLP, (formerly M/s. Chaturvedi & Shah, Chartered Accountants) Firm Registration No.101720W/W100355 were appointed as Auditors of the Company for five consecutive years at the conclusion of the 83rd Annual General Meeting till conclusion of the 88th Annual General Meeting.

The auditors in their report to the members, have given qualification, observation, emphasis of matter and key audit matters and the explanation/comments of your directors with respect to it are as follows:

1. **Explanation to Sr. no. 2 of the Audit report regarding Qualified opinion**

   As per the Master Framework Agreement (MFA) executed between the Company and Lenders on December 16, 2017 pursuant to the S4A Scheme, the Company is regularly servicing the coupon rate attached to the Optionally Convertible Debentures (OCDs). The difference between weighted average interest and coupon rate being Yield to Maturity (YTM) though, accruing on annual basis from the date of allotment is payable as redemption premium in a phased manner in 13 equal instalments commencing from the Financial Year 2024-25. The management is of the view that such YTM as redemption premium is payable only in the event of redemption of OCDs and not upon the conversion of the OCDs into the equity shares of the Company, based on the right of conversion as may be exercised by the holders from time to time. Accordingly, the Management considers such YTM as a contingent liability and has not provided the premium in the books of the Company.

2. **Explanation to Sr. no. 3 of the Audit report regarding Material Uncertainty related to Going Concern**

   Management expects to generate positive cash flow from operation this year based on improvement in sugar recovery percentage and also expects further improvement in the operational efficiencies in other parameters based on various corrective measures taken by the Company including the restructuring of debts as stated in the said note and the Company expects to receive benefits under the Sugar Promotion Policy 2004 pursuant to a favourable Order of Hon'ble Supreme Court of India.

   The Company also has taken steps for sale of non-core assets by way of sale of investments in Lalitpur Power Generation Company Limited. After receipt of the sale proceeds the loans of the Company and interest burden will be reduced substantially.

   Accordingly, the Management is of the view that going concern of the accounting is appropriate.

3. **Comments to Sr. no. 4 of the Audit report regarding Emphasis of Matter**

   As per the debt restructuring schemes obligation was casted on the Company and promoters to recover the outstanding loans in phased manner. The Company also has taken steps for sale of non-core assets by way of sale of investments in Lalitpur Power Generation Company Limited.

4. **Comments to Sr. nos. 6 and 7 of the Audit report regarding Impairment assessment for Investments, loans and interest on loan related party companies**

   Please refer the comments on Sr. 3 above regarding recovery of outstanding loans and sale of investment and accordingly no impairment have been identified by the management based on above assessment.

Statement on Impact of Audit Qualifications for Audit Report with Modified Opinion

Pursuant to Regulation 34(2)(a) statements on Impact of Audit Qualifications as stipulated in Regulation 33(3)(d) for Modified Opinions on standalone and consolidated financial statements are attached as "Annexure X and XI" and forms part of this report.

Cost auditors and their report

Pursuant to Section 148 of the Companies Act, 2013, the Board of Directors on the recommendation of the Audit Committee appointed M/s. B.J.D. Nanabhoy & Co., Cost Accountants, Mumbai (Firm Registration No. 000011) as the Cost Auditors of the Company for financial year 2019-20 and has recommended their remuneration to the shareholders for ratification at the ensuing Annual General Meeting. The Cost Audit Reports for the financial year ended March 31, 2018 for the products Sugar, Industrial Alcohol and Electricity was filed with the Ministry of Corporate Affairs on October 10, 2018.

Secretarial auditor's reports

Pursuant to Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, M/s. Anant B Khamankar & Co., Company Secretaries were appointed as Secretarial Auditor of the Company. The Secretarial Audit Report and Annual Secretarial Compliance Report are annexed as "Annexure II and Annexure III" and forms part of this report. The report does not contain any qualification, reservation or adverse remark or disclaimer.

Public deposits

The Company has not accepted deposit from the public falling within the ambit of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014. Deposits unclaimed at the end of the year was Nil.

Particulars of loans, guarantees or investments

Details of loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in "Annexure IV" and forms part of this report.

Audit committee

The Company constituted Audit Committee as required under Section 177 of the Companies Act, 2013 and Regulation 18 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Composition of Audit Committee is given in Corporate Governance Report. There is no such instance during the year under review where the Board had not accepted any recommendation of Audit of the Audit Committee.

Related-party transactions

The details of transactions entered into with the Related Parties are enclosed in Form No. AOC 2 is annexed herewith as "Annexure V" and forms part of this report.

Internal financial control

The Board has adopted the policies and procedures for ensuring the orderly and efficient conduct of business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of fraud and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures. The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed.

Extract of Annual Return

The details forming part of the extract of the Annual Return in Form MGT 9 is annexed as "Annexure VI" and forms part of this report.

Corporate Social Responsibility

As required under Section 135 of the Companies Act, 2013, the Company has constituted a Corporate Social Responsibility (CSR) Committee. As per recommendation of the CSR Committee, the Board has adopted a policy and standard operating procedures to undertake projects, programmes and activities relating to CSR. Report on CSR Activities/Initiatives is annexed as "Annexure VII" and forms part of this report.

Policies

Policy for determining material subsidiary

During the year ended March 31, 2019, the Company does not have any material listed/unlisted subsidiary companies as defined in Regulation 16 (c) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has framed a policy for determining "material subsidiary" and the same is available on the Company's website at www.bajajhindusthan.com/investorcorner-policies.php

Policy on remuneration and other aspects of directors and KMP

The Board has on the recommendation of the Nomination and Remuneration Committee framed a policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of director and appointment of Directors, Key Managerial Personnel and Senior Management and their remuneration. The detailed remuneration policy is placed on the Company's website at www.bajajhindusthan.com/investorcorner-policies.php

Vigil mechanism/Whistle blower policy

The Company has formulated a Vigil Mechanism/Whistle Blower Policy in accordance with Section 177(9) of the Companies Act, 2013 and Regulation 22 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The details of the Vigil Mechanism/Whistle Blower Policy are provided in the Corporate Governance Report and also posted on the website of the Company at www.bajajhindusthan.com/investorcorner-policies.php

Risk management

The Company has a Risk Management Policy to identify, evaluate business risks and opportunities. This framework seeks to create transparency, minimise adverse impact on the business objectives and enhance the Company's competitive advantage. The business risk framework defines the risk management approach across the enterprise at various levels including documentation and reporting. The framework has different risk's models which help in identifying risk's trend, exposure and potential impact analysis at a Company level as also separately for business. The detailed remuneration policy is placed on the Company's website at www.bajajhindusthan.com/investorcorner-policies.php

The Board of Directors had constituted Risk Management Committee to identify elements of risk in different areas of operations and to develop policy for actions associated to mitigate the risks.

Related-party transaction policy

Policy on dealing with Related-Party Transactions as approved by the Board is uploaded on the Company's website at www.bajajhindusthan.com/investorcorner-policies.php

Corporate Social Responsibility (CSR) policy

Contents of Corporate Social Responsibility Policy in the Board's report are given in the Report on CSR Activities in "Annexure VII" and on the Company's website at www.bajajhindusthan.com/investorcorner-policies.php

Anti-sexual harassment policy

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal committee has been set up to redress the complaints received regarding sexual harassment at workplace. All employees including trainees are covered under this policy.

The following is the summary of sexual harassment complaints received and disposed of during the current financial year.

Number of Complaints received: Nil

Number of Complaints disposed of: Nil

Compliance with secretarial standards

The Company has complied with the secretarial standards issued by the Institute of Company Secretaries of India on Board Meetings and Annual General Meetings.

Significant and material orders passed by the regulators or courts or tribunals

There have been no significant and material orders passed by the courts or regulators or tribunals impacting the going concern status and Company's operations. However, member's attention is drawn to the statements on contingent liabilities and commitments in the notes forming part of the financial statements.

Particulars of employees and related disclosures

As required under the provision of Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company are set out in "Annexure VIII" and forms part of this report.

Transfer of unclaimed dividend and unclaimed shares to investor education and protection fund

The details of Unclaimed Dividend and Unclaimed Shares forms part of the Corporate Governance Report.

Conservation of energy, technology absorption and foreign exchange earnings and outgo

The relevant particulars regarding the above are given in "Annexure IX" and forms part of this report.

Corporate governance

The Company has complied with the corporate governance requirements under the Companies Act, 2013 and as stipulated under the Listing Regulations. A separate section on corporate governance practices followed by the Company, together with a certificate from the Auditors confirming compliance is annexed and forms part of this Report.

Management Discussion and Analysis and Business Responsibility Report

As per Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Management Discussion and Analysis Report and Business Responsibility Report are prescribed in separate Sections forming part of this Annual Report.

Acknowledgements

Industrial relations have been cordial at all the plants of the Company. The Directors express their appreciation for the sincere co-operation and assistance of Central and State Government authorities, bankers, customers and suppliers and business associates. Your Directors also wish to place on record their deep sense of appreciation for the committed services by your Company's employees. Your Directors acknowledge with gratitude the encouragement and support extended by our valued shareholders.

For and on behalf of the Board of Directors

Kushagra Bajaj
Chairman & Managing Director
(DIN: 00017575)

Mumbai,
May 22, 2019

Changes after the date of Directors' Report

Appointment of Director

In accordance with the Master Restructuring Agreement and Master Framework Agreement with Lenders, Mr. Amir Singh Yadav (DIN: 08481111) was appointed as Nominee Director of Punjab National Bank with effect from June 25, 2019 in place of Mr. Rajeeva. Mr. Amir Singh Yadav, aged 58 years is a professional Banker having 34 years of experience and presently designated as Circle Head, Punjab National Bank, Noida. Mr. Yadav holds the degree of M.Com. and Certified Associate of Indian Institute of Bankers (CAIIB).

Change in designation of Directors

As per the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 [SEBI (LODR)], with effect from April 01, 2020, the top 500 listed entities shall ensure that the Chairperson of the Board of such listed entities shall be a non executive director and shall not be related to Managing Director or Chief Executive Officer of the Company. To comply with the provisions of SEBI (LODR), Mr. Kushagra Bajaj is considering to resign from the post of Managing Director and continue in non-executive capacity. The Company has already approached the lenders for requisite consent in this regard in accordance with the terms of the loan agreements.

For and on behalf of the Board of Directors

Kushagra Bajaj
Chairman & Managing Director
(DIN: 00017575)

Mumbai,
June 25, 2019

ANNEXURE I

DIVIDEND DISTRIBUTION POLICY

1. Introduction

In accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of the Company, has adopted this Policy.

The intent of the Policy is to broadly specify the external and internal factors including financial parameters that shall be considered while declaring dividend and the circumstances under which the shareholders of the Company may or may not expect dividend and how the retained earnings shall be utilised, etc.

The Policy shall not apply to:

- Determination and declaration of dividend on preference shares, as and when issued by the Company, as the same will be as per the terms of issue approved by the shareholders
- Issue of bonus shares by the Company
- Buyback of securities

The Policy is not an alternative to the decision of the Board for recommending dividend, which is made every year after taking into consideration all the relevant circumstances enumerated hereunder or other factors as may be decided as relevant by the Board.

2. Definitions

(i) **"Act"** shall mean the Companies Act, 2013 and rules made thereunder, as amended from time to time.

(ii) **"Board"** shall mean board of directors of the Company.

(iii) **"Company"** shall mean Bajaj Hindusthan Sugar Limited.

(iv) **"Dividend"** includes any interim dividend.

(v) **"Listing Regulations"** shall mean the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

(vi) **"Policy"** shall mean this dividend distribution policy.

(vii) **"Stock Exchange"** shall mean a recognised Stock Exchange on which the securities of the Company are listed.

3. Policy

A. Parameters and Factors for Declaration of Dividend

The dividend pay-out decision of the Board depends upon certain financial parameters and internal and external factors, including:

Financial parameters and Internal Factors:

(i) Operating cash flow of the Company

(ii) Profit earned during the year

(iii) Profit available for distribution

(iv) Earnings Per Share (EPS)

(v) Working capital requirements

(vi) Capital expenditure requirement

(vii) Business expansion and growth

(viii) Likelihood of crystallisation of contingent liabilities, if any

(ix) Additional investment in subsidiaries and associates of the Company

(x) Upgradation of technology and physical infrastructure

(xi) Creation of contingency fund

(xii) Cost of borrowing

(xiii) Past dividend payout ratio / trends

External Factors:

(i) Economic environment

(ii) Capital markets

(iii) Global conditions

(iv) Statutory provisions and guidelines

B. Circumstances under which the shareholders of the Company may or may not expect Dividend

The decision regarding dividend payout is a crucial decision as it determines the amount of profit to be distributed among shareholders of the Company and the amount of profit to be retained in business. The decision seeks to balance the dual objectives of appropriately rewarding shareholders through dividends and retaining profits in order to maintain a healthy capital adequacy ratio to support future growth. The shareholders of the Company may not expect dividend in the following circumstances, subject to discretion of the Board of Directors:

(i) Proposed expansion plans requiring higher capital allocation

(ii) Decision to undertake any acquisitions, amalgamation, merger, joint ventures, etc. which requires significant capital outflow

(iii) Requirement of higher working capital for the purpose of business of the Company

(iv) Proposal for buy-back of securities

(v) In the event of loss or inadequacy of profit

C. Utilisation of the retained earnings

The Board may retain its earnings in order to make better use of the available funds and increase the value of the stakeholders in the long run. The decision of utilisation of the retained earnings of the Company shall be based on the following factors:

- Expansion and modernisation plan
- Long-term strategic plans
- Replacement of capital assets
- Where the cost of debt is expensive
- Such other criteria as the Board may deem fit from time to time

D. Manner of Dividend payout

In case of final dividend:

(i) Recommendation, if any, shall be done by the Board, usually in the Board meeting that considers and approves the annual financial statements, subject to approval of the shareholders of the Company.

(ii) The dividend as recommended by the Board shall be approved/declared at the Annual General Meeting of the Company.

(iii) The payment of dividends shall be made within the statutorily prescribed period from the date of declaration, to those shareholders who are entitled to receive the dividend on the record date/book closure period, as per the applicable law.

In case of interim dividend:

(i) Interim dividend, if any, shall be declared by the Board.

(ii) Before declaring interim dividend, the Board shall consider the financial position of the Company that allows the payment of such dividend.

(iii) The payment of dividends shall be made within the statutorily prescribed period from the date of declaration to the shareholders entitled to receive the dividend on the record date, as per the applicable laws.

(iv) In case no final dividend is declared, interim dividend paid during the year, if any, will be regarded as final dividend in the Annual General Meeting.

4. Parameters adopted in relation to various classes of shares

The Company has issued only one class of equity shares with equal voting rights. Accordingly, all members are entitled to receive the same amount of dividend per equity share. The Policy shall be suitably modified upon the issue of equity shares of a different class.

5. Policy Review and Amendments

The Board reserves the power to review and amend this Policy from time to time. All provisions of this Policy would be subject to revision or amendment in accordance with applicable law as may be issued by relevant statutory, regulatory or governmental authorities, from time to time. In case of any amendment(s), clarification(s), circular(s), etc. issued by the relevant authorities are not consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s), etc. shall prevail upon the provisions hereunder.

ANNEXURE II

SECRETARIAL AUDIT REPORT

Form No. MR-3

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2019

(Pursuant to Section 204(1) of the Companies Act, 2013 & Rule 9 of the Companies Appointment and Remuneration of Managerial Personnel Rules, 2014)

To,
The Members,
BAJAJ HINDUSTHAN SUGAR LIMITED
Golagokarannath, Lakhimpur-Kheri
District Kheri
Uttar Pradesh - 262 802, India

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Bajaj Hindusthan Sugar Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our 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 authorised representatives during the conduct of the Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2019 according to the provisions of:

The Companies Act, 2013 (the Act) and the rules made thereunder;

The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder.

The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

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 client;

g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; and

OTHER APPLICABLE LAWS:

i. The Sugar Cess Act, 1982

ii. U.P. Sheera Niyantran Adhiniyam, 1964

iii. Food Safety and Standards Act, 2006

iv. Essential Commodities Act, 1955

v. Sugar Development Fund Act, 1982

vi. Prevention of Food Adulteration Act, 1954

vii. U.P. Sugar Wages Board Act, 1981

We have relied on the representations made by the Company, its Officers and Reports of the Statutory Auditor for the systems and mechanism framed by the Company for compliances under other Acts, Laws and Regulations applicable to the Company.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

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

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

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes book, while the dissenting members' views, if any, are captured and recorded as part of the minutes.

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

We further report that during the audit period:

The shareholders at their extraordinary general meeting held on August 04, 2018 have approved the following:

By way of an Ordinary Resolution:

1. Sale of 1,54,39,900 (One Crore Fifty Four Lakhs Thirty Nine Thousand and Nine Hundred Only) Equity Shares of ₹10/- each held by the Company in Lalitpur Power Generation Company Limited to Bajaj Energy Limited, a related party of the Company pursuant to Section 188 of the Companies Act, 2013.

By way of a Special Resolution:

2. Sale of undertaking as per Section 180(1)(a) of the Companies Act, 2013 in respect of Sale of 1,54,39,900 (One Crore Fifty Four Lakhs Thirty Nine Thousand and Nine Hundred Only) Equity Shares of ₹ 10/- each held by the Company in Lalitpur Power Generation Company Limited to Bajaj Energy Limited.

FOR ANANT B KHAMANKAR & CO.

ANANT KHAMANKAR

FCS No. – 3198
CP No. – 1860

DATE: May 22, 2019
PLACE: MUMBAI

ANNEXURE III

SECRETARIAL COMPLIANCE REPORT OF BAJAJ HINDUSTHAN SUGAR LIMITED

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2019

To,
The Members,
BAJAJ HINDUSTHAN SUGAR LIMITED
Golagokarannath, Lakhimpur-Kheri
District Kheri
Uttar Pradesh - 262 802, India

We have examined:

(a) All the documents and records made available to us and explanation provided by Bajaj Hindusthan Sugar Limited ("the Listed Entity"),

(b) The filings/submissions made by the listed entity to the stock exchanges,

(c) Website of the listed entity,

(d) Any other document/filing, as may be relevant, which has been relied upon to make this certification,

for the year ended March 31, 2019 ("Review Period") in respect of compliance with the provisions of:

(a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and

(b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI").

The specific Regulations, whose provisions and the circulars/guidelines issued thereunder, have been examined, include: -

(a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

(b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (not applicable to the Company for the period under review);

(c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (not applicable to the Company for the period under review);

(e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (not applicable to the Company for the period under review);

(f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (not applicable to the Company for the period under review);

(g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; (not applicable to the Company for the period under review);

(h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(i) Any other regulation as applicable: Not Applicable.

Based on the above examination, we hereby report that, during the Review Period:

(a) The listed entity has complied with the provisions of the above Regulations and circulars/guidelines issued thereunder, except in respect of matter specified below: - Not Applicable

Sr. No.	Compliance Requirement (Regulations/ circulars/guidelines including specific clause)	Deviations	Observations/Remarks of the Practicing Company Secretary
-	-	-	-

(b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/guidelines issued thereunder in sofar as it appears from our examination of those records.

(c) The following are the details of action taken against the listed entity/its promoters/directors/material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/Regulations and circulars/guidelines issued thereunder: Not Applicable

Sr. No.	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/remarks of the Practicing Company Secretary, if any
-	-	-	-	-

(d) The listed entity has taken the following actions to comply with the observations made in the previous reports: Not Applicable

Sr. No.	Observations of the Practicing Company Secretary in previous report	Observations made in the secretarial compliance report for the year ended 31.03.2019	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
-	-	-	-	-

FOR ANANT B KHAMANKAR & CO.

ANANT KHAMANKAR

FCS No. – 3198
CP No. – 1860

DATE: May 22, 2019
PLACE: MUMBAI

ANNEXURE IV

The particulars of loans given, investments made, guarantee given or security provided under Section 186 (4) of the Companies Act, 2013 are provided below:

Sr. No.	Particulars - whether loan, investment, guarantee or security	Name of recipient and other details	Amount (₹ Crore)	Key terms & conditions	Purpose for which the loan or guarantee or security is proposed to be utilised by the recipient (to be provided only for loan or guarantee or security)
1	Investments made	Bajaj Hindusthan (Singapore) Private Ltd. - Equity Shares	92.32	N.A.	N.A.
2	Investments made	Bajaj Aviation Private Ltd. - Equity Shares	5.00	N.A.	N.A.
3	Investments made	Bajaj Power Generation Private Ltd. - Equity Shares	0.02	N.A.	N.A.
4	Investments made	Lalitpur Power Generation Company Ltd. - Equity Shares	770.13	N.A.	N.A.
5	Investments made	Bajaj Ebiz Private Ltd. - Equity Shares	1.15	N.A.	N.A.
6	Investments made	Esugar India Limited	0.01	N.A.	N.A.
7	Investments made	Phenil Sugars Ltd. - 6% Redeemable Non Cumulative Non Convertible Preference Shares	350.04	N.A.	N.A.
8	Investments made	Phenil Sugars Ltd. - Zero Coupon Optionally Convertible Debentures	370.48	N.A.	N.A.
9	Investments made	Interest in BHL Securities Trust, which holds equity shares of the Company, pursuant to the Scheme of Amalgamation of the Company with its erstwhile subsidiary Bajaj Hindusthan Sugar & Industries Ltd.	693.72	N.A.	N.A.
10	Loans given	Bajaj Aviation Private Ltd.	24.40	Interest @ 12% p.a., unsecured, repayable on demand	For business purposes - to meet operational expenses
11	Loans given	Bajaj Hindusthan (Singapore) Private Ltd.	11.92	Interest @ 0%, unsecured, repayable on demand	For business purposes - general corporate purposes
12	Loans given	Bajaj Power Generation Private Ltd.	870.60	Interest @ 12% p.a., unsecured, repayable on demand	For business purposes - general corporate purposes
13	Loans given	Ojas Industries Private Ltd.	318.47	Interest @ 12% p.a., unsecured, repayable on demand	For business purposes - general corporate purposes
14	Securities given	Lalitpur Power Generation Company Ltd.	661.25	Pledge of shares	As collateral security with the trustees of consortium of lenders, facilities obtained by LPGCL

For and on behalf of the Board of Directors

Kushagra Bajaj
Chairman & Managing Director
(DIN: 00017575)

Mumbai
May 22, 2019

ANNEXURE V

Form AOC 2

Disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's-length transactions under third proviso thereto.

A. Details of contracts or arrangements or transactions not at arm's-length basis: NIL

(a)	Name(s) of the related party and nature of relationship	N.A.
(b)	Nature of contracts/arrangements/transactions	N.A.
(c)	Duration of the contracts/arrangements/transactions	N.A.
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	N.A.
(e)	Justification for entering into such contracts or arrangements or transactions	N.A.
(f)	Date(s) of approval by the Board	N.A.
(g)	Amount paid as advances, if any	N.A.
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to Section 188	N.A.

B. Details of material contracts or arrangement or transactions at arm's-length basis:

1.	(a)	Name(s) of the related party and nature of relationship	Shishir Bajaj Family Trust – Body corporate whose Board of Trustees is accustomed to act in accordance with the advice, directions or instructions of a Director
	(b)	Nature of contracts/arrangements/transactions	Rent paid
	(c)	Duration of the contracts/arrangements/ transactions	Leave & Licence agreement for office, record room and parking for a period of 5 years w.e.f. February 15, 2019
	(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	₹ 9.65 Crore
	(e)	Date(s) of approval by the Board, if any	12.02.2019
	(f)	Amount paid as advances, if any	-

2.	(a)	Name(s) of the related party and nature of relationship	Bajaj Aviation Pvt. Ltd. - Subsidiary
	(b)	Nature of contracts/arrangements/transactions	Lease rent received
	(c)	Duration of the contracts/arrangements/ transactions	Aircraft booking agreement
	(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	₹ 7.56 Crore
	(e)	Date(s) of approval by the Board, if any	12.04.2013
	(f)	Amount paid as advances, if any	-

3.	(a)	Name(s) of the related party and nature of relationship	Mr. Pradeep Parakh – Key Managerial Personnel
	(b)	Nature of contracts/arrangements/transactions	Remuneration
	(c)	Duration of contracts/arrangements/ transactions	01.04.2018 to 31.03.2019
	(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	₹ 2.62 Crore
	(e)	Date(s) of approval by the Board, if any	16.05.2014
	(f)	Amount paid as advances, if any	-

4.	(a)	Name(s) of the related party and nature of relationship	Mr. Ved Prakash Agrawal – Key Managerial Personnel
	(b)	Nature of contracts/arrangements/transactions	Remuneration
	(c)	Duration of the contracts/arrangements/ transactions	01.04.2018 to 30.09.2018
	(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	₹ 0.21 Crore
	(e)	Date(s) of approval by the Board, if any	18.10.2014
	(f)	Amount paid as advances, if any	-

5.	(a)	Name(s) of the related party and nature of relationship	Mr. Alok Kumar Vaish – Key Managerial Personnel
	(b)	Nature of contracts/arrangements/transactions	Remuneration
	(c)	Duration of the contracts/arrangements/ Transactions	10.09.2018 to 31.03.2019
	(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	₹ 0.41 Crore
	(e)	Date(s) of approval by the Board, if any	27.09.2018
	(f)	Amount paid as advances, if any	-

For and on behalf of the Board of Directors

Kushagra Bajaj
Chairman & Managing Director
(DIN: 00017575)

Mumbai
May 22, 2019

ANNEXURE VI

EXTRACT OF ANNUAL RETURN

Form No. MGT-9

Extract of Annual Return as on the financial year ended on March 31, 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:

1	CIN	L15420UP1931PLC065243
2	Registration Date	November 24, 1931
3	Name of the Company	Bajaj Hindusthan Sugar Limited
4	Category/Sub-Category of the Company	Public Company/Limited by shares
5	Address of the Registered office and contact details	Golagokarannath, Lakhimpur-Kheri, District Kheri, Uttar Pradesh - 262 802 Tel.: +91-5876-233754/5/7/8 Fax: +91-5876-233401
6	Whether listed company (Yes/No)	Yes
7	Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Private Limited C 101, 247 Park, L.B.S. Marg, Vikhroli (West) Mumbai - 400 083 Tel.: +91 22 49186000 Fax: +91 22 49186060 Email: rnt.helpdesk@linkintime.co.in

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:-

Sr. No.	Name and Description of main products / services	NIC Code of the product/service	% to total turnover of the Company
1	Sugar	1702	89.57%
2	Industrial Alcohol	1101	7.49%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No.	Name and address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of shares held	Applicable Section
1	Bajaj Aviation Private Ltd.	U65993MH2005PTC154529	Subsidiary	100%	2(87)
2	Bajaj Hindusthan (Singapore) Private Ltd.	NA	Subsidiary	100%	2(87)
3	Bajaj Power Generation Private Ltd.	U40102UP2006PTC045331	Subsidiary	100%	2(87)
4	PT. Batu Bumi Persada, Indonesia	NA	Step down subsidiary of Bajaj Hindusthan (Singapore) Pvt. Ltd.	99%	2(87)
5	PT. Jangkar Prima, Indonesia	NA	Step down subsidiary of Bajaj Hindusthan (Singapore) Pvt. Ltd.	99.88%	2(87)
6	Bajaj Ebiz Private Limited	U72100DL2000PTC273539	Associate	49.50%	2(6)

IV. SHAREHOLDING PATTERN: (Equity Share Capital Breakup as percentage of Total Equity)

(a) Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year (As on 01.04.2018)				**No. of Shares held at the end of the year (As on 31-03-2019)**				**% change during the year**
	Demat	Physical	Total	% of Total Shares	**Demat**	**Physical**	**Total**	**% of Total Shares**	
A. Promoters									
(1) Indian									
a) Individual / HUF	2,96,54,338	0	2,96,54,338	2.62	**2,96,54,338**	**0**	**2,96,54,338**	**2.62**	**-**
b) Central Govt.	0	0	0	-	**0**	**0**	**0**	**-**	**-**
c) State Govt.(s)	0	0	0	-	**0**	**0**	**0**	**-**	
d) Bodies Corp.	13,63,04,955	0	13,63,04,955	12.02	**13,63,04,955**	**0**	**13,63,04,955**	**12.02**	**-**
e) Banks / FI	0	0	0	-	**0**	**0**	**0**	**-**	**-**
f) Any Other (Trusts)	89,84,129	0	89,84,129	0.79	**89,84,129**	**0**	**89,84,129**	**0.79**	**-**
Sub-total (A)(1):-	17,49,43,422	0	17,49,43,422	15.43	**17,49,43,422**	**0**	**17,49,43,422**	**15.43**	**-**
(2) Foreign									
a) NRIs - Individuals	0	0	0	-	**0**	**0**	**0**	**-**	**-**
b) Other - Individuals	0	0	0	-	**0**	**0**	**0**	**-**	**-**
c) Bodies Corp.	0	0	0	-	**0**	**0**	**0**	**-**	**-**
d) Banks / FI	0	0	0		**0**	**0**	**0**	**-**	**-**
Sub-total (A)(2):-	0	0	0	-	**0**	**0**	**0**	**-**	**-**
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	17,49,43,422	0	17,49,43,422	15.43	**17,49,43,422**	**0**	**17,49,43,422**	**15.43**	**-**

B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	2,000	0	2,000	0.00	**2,000**	**0**	**2,000**	**-**	**-**
b) Banks / FI	46,99,87,489	700	46,99,88,189	41.46	**45,68,32,726**	**700**	**45,68,33,426**	**40.30**	**(1.16)**
c) Central Govt.	0	0	0	-	**0**	**0**	**0**	**-**	**-**
d) State Govt.(s)	4,500	0	4,500	0.00	**4,500**	**0**	**4,500**	**0.00**	**-**
e) Venture Capital Funds	0	0	0	-	**0**	**0**	**0**	**-**	**-**
f) Insurance Companies	4,31,65,896	0	4,31,65,896	3.81	**4,31,65,896**	**0**	**4,31,65,896**	**3.81**	
g) FIIs	0	0	0	-	**0**	**0**	**0**	**-**	**-**
h) Foreign Venture Capital Funds	0	0	0	0	**0**	**0**	**0**	**-**	**-**
i) Others – Foreign Portfolio Corp.	4,88,01,543	0	4,88,01,543	4.31	**4,32,45,854**	**0**	**4,32,45,854**	**3.82**	**(0.49)**
Sub-total (B)(1):-	56,19,61,428	700	56,19,62,128	49.58	**54,32,50,976**	**700**	**54,32,51,676**	**47.93**	**(1.65)**
(2) Non-Institutions									
a) Bodies Corp.									
Indian	6,35,90,651	0	6,35,90,651	5.61	**5,48,89,720**	**0**	**5,48,89,720**	**4.84**	**(0.77)**
b) Individuals									
i) Individual shareholders holding nominal share capital up to ₹ 2 lakh	21,56,96,110	4,24,994	21,61,21,104	19.07	**24,38,99,383**	**3,59,853**	**24,42,59,236**	**21.55**	**2.48**
ii) Individual shareholders holding nominal share capital in excess of ₹ 2 lakh	4,60,96,208	0	4,60,96,208	4.07	4,92,81,049	0	**4,92,81,049**	**4.35**	**0.28**
c) NBFCs registered with RBI	0	0	0	-	**3,37,171**	**0**	**3,37,171**	**0.03**	**0.03**
d) Others									
i) Non Resident Indians (Repatriation)	44,55,738	0	44,55,738	0.39	**61,07,928**	**0**	**61,07,928**	**0.54**	**0.15**
ii) Non Resident Indians (Non-Repatriation)	15,03,198	0	15,03,198	0.13	**18,38,237**	**0**	**18,38,237**	**0.16**	**0.03**
iii) Clearing Members	1,28,96,443	0	1,28,96,443	1.14	**59,57,239**	**0**	**59,57,239**	**0.53**	**(0.61)**
iv) Hindu Undivided Family	1,56,55,034	0	1,56,55,034	1.38	**1,63,47,455**	**0**	**1,63,47,455**	**1.44**	**0.06**
v) Director & their Relatives	4,700	0	4,700	0.00	**4,700**	**0**	**4,700**	**0.00**	**-**
vi) Trust	3,27,97,800	5,00,000	3,32,97,800	2.94	**3,28,05,033**	**5,06,500**	**3,33,11,533**	**2.94**	**-**
vii) Unclaimed Shares – In Demat Suspense Account	2,68,070	0	2,68,070	0.02	**2,65,130**	**0**	**2,65,130**	**0.02**	**-**
viii) Investor Education and Protection Fund (IEPF)	9,85,446	0	9,85,446	0.09	**9,85,446**	**0**	**9,85,446**	**0.09**	**-**
Sub-total (B)(2):-	39,39,49,398	9,24,994	39,48,74,392	34.84	**41,27,18,491**	**8,66,353**	**41,35,84,844**	**36.49**	**1.65**
Total Public Shareholding (B) = (B)(1)+(B)(2)	95,59,10,826	9,25,694	95,68,36,520	84.41	**95,59,69,467**	**8,67,053**	**95,68,36,520**	**84.41**	**-**
C. 1) Shares held by Custodian for GDR & ADRs	0	0	0	0.00	**0**	**0**	**0**	**0.00**	**-**
2) Employee Benefit Trust (Under SEBI) Share-based Employee Benefit) Regulations, 2014)	17,80,000	0	17,80,000	0.16	**17,80,000**	**0**	**17,80,000**	**0.16**	**-**
Grand Total (A+B+C)	1,13,26,34,248	9,25,694	1,13,35,59,942	100.00	**1,13,26,92,889**	**8,67,053**	**1,13,35,59,942**	**100.00**	**0.00**

(b) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (As on 01-04-2018)			**Shareholding at the end of the year (As on 31-03-2019)**			
		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/ encum-bered to total shares**	**% change in shareholding during the year**
1	Shishir Kumar Bajaj	83,96,341	0.74	0.74	**83,96,341**	**0.74**	**0.74**	**-**
2	Kushagra Bajaj	1,28,97,036	1.14	1.14	**1,28,97,036**	**1.14**	**1.14**	**-**
3	Minakshi Bajaj	42,54,556	0.38	0.38	**42,54,556**	**0.38**	**0.38**	**-**
4	Apoorva Bajaj	2,31,751	0.02	0.02	**2,31,751**	**0.02**	**0.02**	**-**
5	Shishir Bajaj (as Karta of Shishir Bajaj HUF)	38,74,654	0.34	0.34	**38,74,654**	**0.34**	**0.34**	**-**
6	Shishir Bajaj, Minakshi Bajaj and Kushagra Bajaj (as trustees of Kushagra Trust No. 2)	60,623	0.01	0.01	**60,623**	**0.01**	**0.01**	**-**
7	Shishir Bajaj, Minakshi Bajaj and Kushagra Bajaj (as trustees of Shishir Bajaj Family Trust)	288	0.00	0.00	**288**	**0.00**	**0.00**	**-**
8	Shishirkumar Bajaj & Kushagra Bajaj (as trustees of Bajaj Hindusthan Limited Employees General Medical Aid Fund)	20,78,120	0.18	0.18	**20,78,120**	**0.18**	**0.18**	**-**
9	Shishirkumar Bajaj & Kushagra Bajaj (as trustees of Bajaj Hindusthan Limited Employees Family Planning Welfare Fund)	17,53,100	0.15	0.15	**17,53,100**	**0.15**	**0.15**	**-**
10	Shishirkumar Bajaj & Kushagra Bajaj (as trustees of Bajaj Hindusthan Limited Employees Sports & Cultural Activities Welfare Fund)	17,43,600	0.15	0.15	**17,43,600**	**0.15**	**0.15**	**-**
11	Shishirkumar Bajaj & Kushagra Bajaj (as trustees of Bajaj Hindusthan Limited Managerial Staff Medical Aid Fund)	17,39,100	0.15	0.15	**17,39,100**	**0.15**	**0.15**	**-**
12	Shishirkumar Bajaj & Kushagra Bajaj (as trustees of Bajaj Hindusthan Limited Employees Education Welfare Fund)	16,09,298	0.14	0.14	**16,09,298**	**0.14**	**0.14**	**-**
13	Bajaj Capital Ventures Private Limited	22,47,142	0.20	0.20	**22,47,142**	**0.20**	**0.20**	**-**
14	Bajaj Resources Limited	8,19,44,455	7.23	7.23	**8,19,44,455**	**7.23**	**7.23**	**-**
15	A.N. Bajaj Enterprises Private Limited	1,83,07,954	1.62	1.62	**1,83,07,954**	**1.62**	**1.62**	**-**
16	KNB Enterprises LLP	110	0.00	0.00	**110**	**0.00**	**0.00**	**-**
17	SKB Roop Commercial LLP	110	0.00	0.00	**110**	**0.00**	**0.00**	**-**
18	Global World Power Projects Private Limited (The Company has merged with Lambodar Projects Pvt. Ltd. Subsequently the name of Lambodar Projects Pvt. Ltd. changed to Lambodar Stocks Pvt. Ltd. w.e.f. 15/04/2017.)	121	0.00	0.00	**121**	**0.00**	**0.00**	**-**

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (As on 01-04-2018)			**Shareholding at the end of the year (As on 31-03-2019)**			
		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/ encum-bered to total shares**	**% change in shareholding during the year**
19	Bajaj International Realty Private Limited	2,77,77,484	2.45	2.45	**2,77,77,484**	**2.45**	**2.45**	**-**
20	Bajaj Infrastructure Development Company Limited	60,27,469	0.53	0.53	**60,27,469**	**0.53**	**0.53**	
21	Bajaj Power Ventures Private Limited	110	0.00	0.00	**110**	**0.00**	**0.00**	**-**
	Total	17,49,43,422	15.43	15.43	**17,49,43,422**	**15.43**	**15.43**	

(c) Change in Promoters' Shareholding (please specify, if there is no change)
During the year, there is no change in Promoter's Shareholding.

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

		Shareholding					**Cumulative Shareholding during the year (01-04-18 to 31-03-19)**	
Sr. No.	**Name**	**No. of shares at the beginning (01-04-18) / end of the year (31-03-19)**	**% of total shares of the Company**	**Date**	**Increase/ Decrease in sharehold-ing**	**Reason**	**No. of Shares**	**% of total shares of the Company**
1	Punjab National Bank	8,52,25,312	7.52	01-04-2018				
					0	Nil movement during the year		
		8,52,25,312	7.52	31-03-2019			8,52,25,312	7.52
2	IDBI Bank Limited	6,36,67,200	5.62	01-04-2018				
					0	Nil movement during the year		
		6,36,67,200	5.62	31-03-2019			6,36,67,200	5.62
3	Allahabad Bank	6,29,28,861	5.55	01-04-2018				
					0	Nil movement during the year		
		6,29,28,861	5.55	31-03-2019			6,29,28,861	5.55
4	Central Bank of India	5,66,86,905	5.00	01-04-2018				
					0	Nil movement during the year		
		5,66,86,905	5.00	31-03-2019			5,66,86,905	5.00

		Shareholding					Cumulative Shareholding during the year (01-04-18 to 31-03-19)	
Sr. No.	**Name**	**No. of shares at the beginning (01-04-18) / end of the year (31-03-19)**	**% of total shares of the Company**	**Date**	**Increase/ Decrease in sharehold-ing**	**Reason**	**No. of Shares**	**% of total shares of the Company**
5	Canara Bank	4,24,20,416	3.74	01-04-2018				
				20-04-2018 21-09-2018	10,000 -12,050	Purchase Sale	4,24,30,416 4,24,18,366	3.74 3.74
		4,24,18,366	3.74	31-03-2019			4,24,18,366	3.74
6	Oriental Bank of Commerce	4,20,84,964	3.71	01-04-2018				
					0	Nil movement during the year		
		4,20,84,964	3.71	31-03-2019			4,20,84,964	3.71
7	Life Insurance Corporation of India	4,10,26,922	3.62	01-04-2018				
					0	Nil movement during the year		
		4,10,26,922	3.62	31-03-2019			4,10,26,922	3.62
8	BHL Securities Trust	3,11,00,000	2.74	01-04-2018				
					0	Nil movement during the year		
		3,11,00,000	2.74	31-03-2019			3,11,00,000	2.74
9	Indian Overseas Bank	2,42,74,728	2.14	01-04-2018				
					0	Nil movement during the year		
		2,42,74,728	2.14	31-03-2019			2,42,74,728	2.14
10	Corporation Bank	2,27,22,131	2.00	01-04-2018				
					0	Nil movement during the year		
		2,27,22,131	2.00	31-03-2019			2,27,22,131	2.00

Note:
Paid-up capital of the Company as on 31.03.2018 was 1,13,35,59,942 equity shares of ₹ 1/- each and as on 31.03.2019 was 1,13,35,59,942 equity shares of ₹ 1/- each.

(e) Shareholding of Directors and Key Managerial Personnel:

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For Each of the Directors and KMP	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	Mr. Kushagra Bajaj	1,28,97,036	1.14	1,28,97,036	1.14
2.	Mr. M. L. Apte	1,800	0.00	1,800	0.00
3.	Mr. D. K. Shukla	0	-	0	-

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For Each of the Directors and KMP	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
4.	Mr. Alok Krishna Agarwal	0	-	0	-
5.	Mr. Vipulkumar S. Modi	0	-	0	-
6.	Mr. Ashok Mukand	0	-	0	-
7.	Mr. Rajeeva	0	-	0	-
8.	Mr. Ashok Kumar Gupta	2,900	0.00	2,900	0.00
9.	Mrs. Shalu Bhandari	0	-	0	
10.	Mr. Pradeep Parakh	4,000	0.00	4,000	0.00
11.	Mr. Alok Kumar Vaish	0	-	0	-

V. INDEBTEDNESS:

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

₹ Crore

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	6,696.62	94.15	-	6,790.77
ii) Interest due but not paid	30.47	-	-	30.47
iii) Interest accrued but not due	0.39	-	-	0.39
Total (i+ii+iii)	**6,727.48**	**94.15**	-	**6,821.63**
Change in Indebtedness during the financial year				
• Addition	-	11.83	-	11.83
• Reduction	780.53	-	-	780.53
Net Change	**(780.53)**	**11.83**	**-**	**768.70**
Indebtedness at the end of the financial year				
i) Principal Amount	5,916.09	105.98	-	6,022.07
ii) Interest due but not paid	23.52	-	-	23.52
iii) Interest accrued but not due	0.21	-	-	0.21
Total (i+ii+iii)	**5,939.82**	**105.98**	**-**	**6,045.80**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

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

Amount in ₹

Sr. No.		Particulars of Remuneration	Mr. Kushagra Bajaj	Mr. Ashok Kumar Gupta	Total Amount
1		Gross Salary			
	(a)	Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	1,65,80,446	98,75,453	2,64,55,899
	(b)	Value of perquisites u/s 17(2) of Income-tax Act, 1961	7,34,499	7,55,250	14,89,749
	(c)	Profits in lieu of salary under Section 17(3) of Income-tax Act, 1961	-	-	-
2		Stock Option	-	-	-
3		Sweat Equity	-	-	-

Amount in ₹

Sr. No.		Particulars of Remuneration	Mr. Kushagra Bajaj	Mr. Ashok Kumar Gupta	Total Amount
4		Commission	-	-	-
		- as % of profit	-	-	-
		- others, specify…	-	-	-
5		Others (Cont. to PF & Superannuation fund, etc.)	11,52,000	4,99,053	16,51,053
6		Total (A)	1,84,66,945	1,11,29,756	2,95,96,701
		Ceiling as per the Act			**5,84,17,340**

B. Remuneration to other directors:

Amount in ₹

Particulars of Remuneration	Name of Directors					
	Mr. Alok Krishna Agarwal	Ms. Shalu Bhandari	Mr. M. L. Apte	Mr. D. K. Shukla	Mr. Vipulkumar S. Modi	Total Amount
1. Independent Directors • Fee for attending board committee meetings • Commission • Others, please specify	4,00,000	3,70,000	2,50,000	4,30,000	3,20,000	17,70,000
Total (1)	4,00,000	3,70,000	2,50,000	4,30,000	3,20,000	17,70,000
2. Other Non-Executive Directors • Fee for attending board committee meetings • Commission • Others, please specify	-	-	-	-	-	-
Total (2)	-	-	-	-	-	-
	Mr. Ashok Mukand	Mr. Rajeeva (w.e.f. 26/05/2018)				Total Amount
3. Other nominee Directors • Fee for attending board committee meetings • Commission • Others, please specify	2,40,000	0.00				2,40,000
Total (3)	2,40,000	0.00				2,40,000
Total (B)=(1+2+3)						20,10,000
Total Managerial Remuneration						3,16,06,701
Overall ceiling as per the Act*						**5,84,17,340**

*Overall ceiling as per the Act is not applicable to sitting fees paid to non-executive directors.

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

Amount in ₹

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		CFO Mr. Alok Kumar Vaish (from 10/08/2018)	CFO Mr. Ved Prakash Agrawal (up to 09/08/2018)	Company Secretary Mr. Pradeep Parakh	Total
1	Gross Salary				
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	38,86,319	19,95,536	2,44,34,174	3,03,16,029
	(b) Value of perquisites u/s 17(2) of Income-tax Act, 1961		11,584	4,26,985	4,38,569
	(c) Profits in lieu of salary under Section 17(3) of Income-tax Act, 1961	-	-		-
2	Stock Option	-	-		-
3	Sweat Equity	-	-		-
4	Commission	-	-		-
	- as % of profit	-	-		-
	- others, specify…	-	-		-
5	Others (Contribution to PF, Superannuation funds, etc.)	2,02,074	1,15,242	12,98,043	16,15,359
	Total	40,88,393	21,22,362	2,61,59,202	3,23,69,957

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	NA	NA	NIL	NA	NA
Punishment	NA	NA	NIL	NA	NA
Compounding	NA	NA	NIL	NA	NA
B. DIRECTORS					
Penalty	NA	NA	NIL	NA	NA
Punishment	NA	NA	NIL	NA	NA
Compounding	NA	NA	NIL	NA	NA
C. OTHER OFFICERS IN DEFAULT					
Penalty	NA	NA	NIL	NA	NA
Punishment	NA	NA	NIL	NA	NA
Compounding	NA	NA	NIL	NA	NA

For and on behalf of the Board of Directors

Kushagra Bajaj
Chairman & Managing Director
(DIN: 00017575)

Mumbai
May 22, 2019

ANNEXURE VII

REPORT ON CSR ACTIVITIES/INITIATIVES

[Pursuant to Section 135 of the Act & Rules made thereunder]

1. **A brief outline of the Company's CSR policy, including overview of the projects or programmes proposed to be undertaken and reference to the weblink to the CSR Policy and projects or programmes.**

   The salient features of CSR policy approved by the Board of Directors are stated hereinbelow. The policy is available at the following weblink:

   http://www.bajajhindusthan.com/bajajHindustanCMS/uploads/1433133931_BHSL%20CSR%20Policy.pdf

   Salient features of Corporate Social Responsibility (CSR) Policy:

   Sugar Industry in India has an important role to play for the socio-economic development of rural population, mainly the farmers engaged in the sugarcane cultivation. It is one of the prime support provider essential for rapid growth of the rural economy.

   As part of the socially responsible Company, BHSL has and continues to adopt policies and business strategies to effectively integrate emerging environmental, social and economic considerations. Whether it's through conserving energy, recycling, or finding innovative solutions to environmental and social challenges, BHSL is committed to being a respectful, responsible and positive influence on the environment and the society in which we operate. Efficient power management, infrastructure sharing, use of eco-friendly renewable energy sources, etc. are some of the inbuilt practices in our day-to-day business operations, to ensure a clean and green environment.

   This policy outlines the Company's social and moral responsibilities to consumers, employees, shareholders, society and local community and lays down guidelines and mechanism for carrying out programmes, projects and activities that actively assist in overall improvement in the quality of life of local community residing in the vicinity of its plants and society at large as also making them self-reliant, safeguarding of health, preservation of ecological balance and protection of environment. The primary objectives of this Policy are:-

   a) To ensure an increased commitment at all levels in the Company, to operate its business in an economically, socially and environmentally sustainable manner, while recognising the interests of all its stakeholders.

   b) To directly or indirectly take up programmes that benefit the communities in and around its work centres and results, over a year of time, in enhancing the quality of life and economic well-being of the local population.

   c) To generate, through its CSR initiatives, a community goodwill for BHSL and help reinforce a positive and socially responsible image of BHSL as a corporate entity.

2. **The Composition of the CSR Committee:**

   Mr. Kushagra Bajaj, Chairman

   Mr. Alok Krishna Agarwal, Member

   Mr. Ashok Kumar Gupta, Member

3. **Average Net Profit of the Company for last 3 financial years:** Not applicable (Since the average net profit for last 3 financial years is negative).

4. **Prescribed CSR expenditure (2% of amount):** Not applicable

5. **Details of CSR activities/projects undertaken during the year:** Not applicable

   a) Total amount to be spent for the financial year

   b) Amount un-spent, if any

   c) Manner in which the amount spent during financial year, is detailed below:

1	2	3	4	5	6	7	8
Sr. No.	CSR project or activity identified	Sector in which the Project is covered	Projects or Programmes 1. Local area or other 2. Specify the State and District where Projects or Programmes was undertaken	Amount outlay (budget) Projects or Programme-wise	Amount spent on the Projects or Programmes Sub-heads: 1. Direct expenditure on Projects or Programmes 2. Overheads	Cumulative expenditure up to the reporting period	Amount spent Direct or through implementing agency*
- Not Applicable -							

* Give details of implementing agency.

6. **In case the Company has failed to spend the 2% of the average net profit of the last 3 financial years or any part thereof, reasons for not spending the amount in its Board Report:** Not applicable

7. **Responsibility statement:**

   The Responsibility Statement of the Corporate Social Responsibility Committee of the Board of Directors of the Company, is reproduced below:

   'The implementation and monitoring of Corporate Social Responsibility (CSR) Policy, is in compliance with CSR objectives.'

Kushagra Bajaj
Chairman & Managing Director and
Chairman of the CSR Committee
(DIN: 00017575)

Ashok Kumar Gupta
Director (Group Operations)
(DIN: 02608184)

Mumbai
May 22, 2019

ANNEXURE VIII

Disclosures with respect to the remuneration of Directors and employees as required under Section 197 of the Companies Act, 2013 and Rule 5 (1) Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. **The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year and the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year**

Sr. No.	Name of the Directors/KMP	Designation	Remuneration of Directors/KMP for the year 2018-2019 (Amount in ₹)	% Increase in Remuneration in the year 2018-2019	Ratio of Remuneration of each Director to median remuneration of employee
1	Mr. Kushagra Bajaj	Chairman and Managing Director	1,84,66,945	0.26%	68.49
2	Mr. Ashok Kumar Gupta	Director (Group Operations)	1,11,29,756	11.43%	41.28
3	Mr. M. L. Apte	Director	2,50,000	*	0.93
4	Mr. D. K. Shukla	Director	4,30,000	6.98%	1.59
5	Mr. Alok Krishna Agarwal	Director	4,00,000	17.50%	1.48
6	Mr. Vipulkumar S Modi	Director	3,20,000	*	1.19
7	Ms. Shalu Bhandari	Director	3,70,000	*	1.37
8	Mr. Ashok Mukand	Nominee Director	2,40,000	*	0.89
9	Mr. Rajeeva	Nominee Director	0	Not Applicable	Not Applicable
10	Mr. Ved Prakash Agrawal	Chief Financial Officer (up to 09.08.2018)	21,22,362	Not Applicable	Not Applicable
11	Mr. Alok Kumar Vaish	Chief Financial Officer (w.e.f. 10.08.2018)	40,88,393	**	Not Applicable
12	Mr. Pradeep Parakh	Group President (GRC) & Company Secretary	2,61,59,202	7.01%	Not Applicable

* Sitting fees paid to Non-executive Directors during the year was less than the sitting fees paid in the last financial year.
** Appointed as Chief Financial Officer w.e.f. September 10, 2018

2. **The median remuneration of employees of the Company during the year was ₹ 2,69,216.**
3. **The increase in the median remuneration of employees in the financial year was 25.39%.**
4. **There were 7,291 permanent employees on the rolls of the Company as at March 31, 2019.**
5. **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

Average percentage increase in remuneration of the employees of the Company other than managerial personnel is 14.26%. Increase in remuneration of managerial personnel is 7.07%. The increase in remuneration of employees other than the managerial personnel is in line with the increase in remuneration of managerial personnel.

6. **It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other employees.**

Particulars of Employees as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

A. Details of Top Ten Employees in terms of remuneration drawn as per Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Sr. No.	Name of Employee	Designation/ Nature of duties	Remuneration (₹)	Qualification	Age (years)	Experience (No. of years)	Date of commencement of employment	Last employment
1	Mr. Pradeep Parakh	Group President (GRC) & Company Secretary	2,61,59,202	B.Com (Hons), FCA, FCS	52	28	07.03.2001	Dy. Company Secretary, Gujarat Ambuja Cement Ltd.
2	Mr. Kushagra Bajaj	Chairman & Managing Director	1,84,66,945	B.S.Indl Mgmt (Fin,Eco,Pol Phil), M. S. (Integrated Mktg Comm (Mktg)	42	17	20.08.2001	-
3	Mr. Akash Sharma	Vice President (Finance & Accounts)	1,40,12,667	B.Com, LLB & FCA	54	28	22.03.2006	Jaiprakash Associates Ltd.
4	Mr. Ashok Kumar Gupta	Director (Group Operations)	1,11,29,756	M.Com	68	48	31.05.1982	Upper Doab Sugar Mills Ltd.
5	Mr. Vikas Lahoti	Head - Group Corporate Taxation	98,62,599	B.Com, CA, MBA	62	34	22.04.2013	Etisalat DB Telecom (P) Ltd.
6	Mr. Naval Kishore Kashyap	Sr. Vice President (Indirect Taxation)	83,26,008	B.Com, Diploma (Excise & Cust.)	60	37	01.11.2011	Carbery Infrastructure Pte. Ltd.
7	Mr. Adhish Goray	Project Head	69,12,849	G.D.Arch., M.Arts	46	23	15.02.2013	Pancard Clubs Limited
8	Mr. Alok Kumar Vaish	Chief Financial Officer (from 10.08.2018)	57,14,682	B.Com, C.A	51	26	26.03.2004	Oswal Chemicals & Fertilizers Ltd.
9	Mr. Naresh Chandra Agarwal	Sr. Vice President (Unit Head) and Zonal Head Operations	50,68,489	M.Sc.	66	46	17.04.2006	L. H. Sugar Factories Limited
10	Mr. Rajendra Mishra	Assistant Vice President (Finance & Accounts)	47,47,221	B.Com	55	34	26.11.2011	Recron Synthetics Limited

B. Details of Employees employed throughout the financial year who were in receipt of the remuneration for that year which, in aggregate, was not less than ₹ 1.02 crore are given in Sr. nos. 1 to 4 of the table above.

C. Employees employed for a part of the financial year and who were in receipt of the remuneration for that financial year at a rate not less than ₹ 8,50,000 per month : NIL

D. Employees employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate is in excess of that drawn by the managing director or whole time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the Company: Nil

Notes:

1. Remuneration includes Salary, Allowances, Company's Contribution to Provident Fund, Superannuation, etc., taxable value of perquisites and terminal benefits as may be applicable.
2. Except the appointment of Mr. Kushagra Bajaj, all appointments are non-contractual and terminable by notice on either side.
3. None of the aforesaid employees is relative of any director or manager.

For and on behalf of the Board of Directors

Kushagra Bajaj
Chairman & Managing Director
(DIN: 00017575)

Mumbai
May 22, 2019

ANNEXURE IX

Disclosure of particulars with respect to conservation of energy, technology absorption and foreign exchange earnings and outgo as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014.

A. Conservation of energy:

(i) Steps taken for conservation of energy:

1. Zero liquid discharge as per Central Pollution Control Board / National Tribunal directions.
2. Cooling tower installed on Under Ground Reservoir (UGR) for cooling of excess condensate water was commissioned and made operational under zero water discharge programme.
3. Grease is used at mills as lubricants which reduce the consumption of lubricants & same time pollution load on ETP also reduces.
4. Stopped sending 7 Kg/cm sq. live steam to process by installation of E-boiler at Sulphur furnace as well as chemical cleaning of evaporator body being done on 1.5 kg/cm sq exhaust steam which has increased the power export.
5. Additional power capacitor provided in the power house and all MCC (Motor Control Centre) room with PCC (Power Control Centre) to increase power factor to reduce power consumption.
6. Installation of Variable Frequency Drives (VFD) at ID fan, SA fan, feed pump and clear juice pump to save energy.
7. Installation of automation of pump for overhead tank from UGR for on-off according to overhead tank level.
8. Use of LED lights in place of simple bulb, tube light and Vapour Mercury lamp for lighting in colony and factory to reduce the power load.
9. Installation of auto system spray engineering device to reduce power consumption by reduction of injection water.
10. Installation of automation of pump for overhead tank from UGR.
11. 100% lagging of steam carrying lines to minimise heat loss.
12. Automation in operation through DCS at Mill & Boiler sections to reduce power consumption.
13. Synchronisation and reorientation of equipments in individual sections to reduce power load.
14. Installation of Digital AVR on 15 MW. Both Turbines will run parallel with Grid and Power export can increase if sugar plant will run on optimum capacity.
15. Pump having smaller capacity installed at UGR for water re-circulation during off season which saved approximately 50% of previous power consumption.
16. Clear juice heating by 1st vapour instead of exhaust to save energy.
17. Exhaust vapour drain collected and recycled in system to save energy.
18. Sulphur furance live steam drain collected & reused.
19. Exhaust steam used during Soda boiling in Evaporator, condensate going to drain has been collected & used.
20. Various Hot Water & Cold Water consumption points flow meter has been provided to control effluent & power.
21. Replacement of the nickel screen 0.05 mm to 0.06 mm for Reduction of molasses, Power saving, reduction of nickel screen consumption, increase of machine capacity, better quality of sugar.
22. Increase of the height of H'on cutter by 50 mm resulting in reducing the power consumption by 20%.
23. Massecuite and magma delivery pipe line relocate from vertical (90° to 45°) resulting Zero leakages from gland, reduction of power and reduction of maintenance cost.
24. DCS based auto blow off of 1st vapour to 2nd vapour instead of going to atmosphere.
25. By providing control valves and modifying heating steam coil in A Heavy and B Heavy molasses conditioners at pan floor conditioning of molasses improved and resulted better circulation in pan and reduced boiling time.
26. Installation of centralised lubrication system for mill roller bearings to reduce lubricant consumption.

(ii) Steps taken by the Company for utilising alternate sources of energy:

1. Maximum utilisation of biogas in 30-Tonne Per Hour Boiler to save bagasse consumption.
2. Use biogas in B G Engine to generate the power.

(iii) Capital investment on energy conservation equipment: Nil

B. Technology absorption:

(i) Efforts made towards technology absorption:

Research and Development (R&D): Under Sugarcane Research & Development, specific areas in which R&D is carried out by the Company during the year ended March 31, 2019 were accelerated as under:

1. Installation of 04 Nos. Vertical type Coolers for 300 Kg. Cap. Batch Sulphur Furnace to improve the efficiency, avoid leakages and to reduce the breakdowns.
2. Modification in NSI Juice Sulphitor to get better Juice clarification efficiency.
3. Modification in Vacuum Distribution Header for maximum withdrawal of heavy Filtrate Juice for better efficiency of 14"x28"O.C. Filter.
4. Re-conditioning of existing 02 Nos. KC-1350 Conti. Centrifugal Machine from M/s Standard Type Foundry - Ghaziabad to improve the working efficiency.
5. Modification in design of Polly-baffle of External Vapour Body to prevent the juice entrainment.
6. Installation of 25 Nos. of Flow Meter in Cold & Hot Water Lines to measure the flow to control and optimise water consumption.
7. Construction of Hazardous Tank holding Cap.-324 Cu.M to collect the Acidic and Alkaline waste water to avoid direct flow into E.T.P.
8. Installation of Sewage Treatment Plant (STP) in plant colony area.
9. Installation of 07 Nos. M.S. Fabricated Condensate / Effluent Collection Pit and pumps.
10. Installation of 2 Nos. Rain Water Harvesting System (RWHS) in plant area.
11. Modification in Sugar Distribution arrangement Inlet to Sugar Storage Vessel.
12. Arrangement made to use the Pan boiled Sweet Water into Sugar Melter to save the steam.
13. Arrangement made to collect the condensed water of exhaust /vapour steam lines header at various places in plant.
14. Furnace of Texmeco Boiler Capacity -25 T.P.H. replaced from Horse Shoe Furnace to Dumping Grate to increase Boiler Efficiency.
15. V.F.D. installed in the drive of Boiler Bagasse Feeders of Thermax Boiler.
16. Design and installation of bearing protection system for mill roller bearings.
17. New cane varieties Co 0238, Co 118, Co 98014 & CoJ 85 in early group and CoJ 88 & others high sugar varieties in general group were introduced.
18. Space row planting in place of traditional method of sowing at 4 feet distance.
19. Arrangement to collect rain water during off season in injection/spray channel and used for trial and testing of plant.
20. Utilisation of Filtrate Clarification system.
21. Modification of cooling water pipe for different equipment to collect in UGR (Under Ground Reservoir) through gravity.
22. Introduced Zero Budget Natural Farming concept in the area in order to reduce farmers input cost and increase & sustain sugarcane productivity.
23. Emphasis on integrated nutrient management (I.N.M.) in order to minimise the use of chemical fertilisers in sugarcane and promote organic manuring.
24. Use of preventive maintenance management tools for reduction of maintenance cost in all electrical switchgears and motors

(ii) Benefits derived like product improvement, cost reduction, product development or import substitution:

1. SO_2 Gas Leakages avoided, Gas final temperature maintained & breakdowns eliminated.
2. Efficiency of Juice Sulphitor improved and desired pH level maintained.
3. Capacity enhanced and efficiency improved.
4. Efficiency of KC-1350 Conti. Centrifugal Machine improved & breakdown eliminated.
5. Condensate water quality improved and chances of juice entrainment minimised.
6. Wastage of hot & cold water controlled and consumption optimised.
7. Working efficiency of E.T.P. Plant improved.
8. Treated Sewage Water is being used for horticulture purpose which ultimately meets the Z.L.D. norms.
9. Effluent generation controlled to meet Pollution Control Board Norms.
10. 02 Nos. Rain Water Harvesting System installed to meet the norms of Pollution Control Board.
11. Percentage of bolder grain in Sugar Bagging improved by proper distribution of Sugar into vessels.
12. Steam consumption optimised by re-using the boiled sweet water in place of fresh hot water.
13. Wastage of hot water prevented and collected water is being used at various places to save the steam consumption.

14. Smooth operation of Boiler with increased efficiency parameters.
15. By installation of V.F.D. resulted smooth Boiler operation.
16. Reduce of oil consumption and wastage.
17. Proper varietal balance maintained for achieving good recovery % cane.
18. Average cane yield increased resulting availability of sugar cane increased.
19. Reduced the use of groundwater and same time it reduces the generation of effluent.
20. Improvement of quality and recovery of sugar.
21. Better control of 1st vapour and 2nd vapour.
22. Zero Budget Natural Farming helps in bringing down the cost of sugarcane cultivation while improving the soil fertility as well as productivity of sugarcane.
23. Biological control of some of the pest and insects has helped in saving the cost of insecticides thus reducing the cost of cultivation and producing healthy disease free cane and improved soil health.
24. Achieved reduction of 2.61 kWh/Qntl in sugar manufacturing and 1.39 kWh/Tonne of cane crushed in comparison to last year by adopting all energy saving majors and optimum utilisation of equipments.

(iii) Details regarding imported technology (imported during last three years reckoned from the beginning of the financial year):

Information regarding technology imported during the last 3 years:		
a)	Details of Technology imported	None
b)	Year of import	Not applicable
c)	Whether the technology been fully absorbed	Not applicable
d)	If not fully absorbed, areas where absorptions has not taken place, and the reason thereof	Not applicable

(iv) Expenditure incurred on Research and Development:

For the year/year ended	**Year ended March 31, 2019 (₹ Crore)**	Year ended March 31, 2018 (₹ Crore)
a) Capital	**Nil**	Nil
b) Recurring	**Nil**	Nil
c) Total	**Nil**	Nil
d) Total R&D expenditure as a percentage of total turnover	**N.A.**	N.A.

Note: The capital and revenue expenditure on R&D incurred during the year have been included in the respective heads of capital and revenue expenditure.

C. Foreign exchange earnings and outgo:

a) Activities relating to exports; initiative taken to increase exports; development of new export markets for products and services and export plans: None

b) Total foreign exchange used and earned:

For the year/year ended	**Year ended March 31, 2019 (₹ Crore)**	Year ended March 31, 2018 (₹ Crore)
Foreign exchange earned in terms of actual inflows	**18.55**	33.75
Foreign exchange outgo in terms of actual outflows	**0.05**	0.09

For and on behalf of the Board of Directors

Kushagra Bajaj
Chairman & Managing Director
(DIN: 00017575)

Mumbai
May 22, 2019

ANNEXURE X

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along with the Annual Audited Financial Results (Standalone) for the Financial Year ended March 31, 2019
[Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]

₹ Crore

I.

Sr. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
1	Turnover / Total income	6,967.43	6,967.43
2	Total Expenditure	7,033.77	7,437.40
3	Net Profit/(Loss)	(64.08)	(467.71)
4	Earnings Per Share	(0.58)	(4.25)
5	Total Assets	14,405.70	14,405.70
6	Total Liabilities	11,000.65	11,515.15
7	Net Worth	3,405.05	2,890.55
8	Any other financial item(s) (as felt appropriate by the management)	The contingent liability on account of accumulated YTM payable as redemption premium on OCDs : ₹ 514.50 crore	The contingent liability on account of accumulated YTM payable as redemption premium on OCDs : NIL

II. Audit Qualification (each audit qualification separately):

a. **Details of Audit Qualification:** Non-provision of the premium payable on Optionally Convertible Debentures (OCDs) at the time of redemption of OCDs issued to lenders pursuant to the Scheme for Sustainable Structuring of Stressed Assets (S4A Scheme) which stipulates that the yield to maturity (YTM) being the difference between weighted average interest and coupon rate be payable as redemption premium at the time of redemption of OCDs redeemable in 13 equal instalments commencing from the financial year 2024-25. The Company considers such YTM/ redemption premium as contingent liability and has not provided for the same in the books of account for the quarter and year ended March 31, 2019 amounting to ₹ 99.53 crore and ₹ 403.63 crore respectively. The aggregate liability for such YTM from the date of allotment of OCDs till the year ended March 31, 2019 is ₹ 514.50 crore. Had such interest been provided, the reported profit/ (loss) for the quarter and year ended March 31, 2019 would have been ₹146.68 crore and (₹ 467.71) crore respectively and net worth of the Company would have been ₹ 2,890.55 crore.

b. **Type of Audit Qualification :** Qualified Opinion / ~~Disclaimer of Opinion / Adverse Opinion~~

c. **Frequency of qualification:** Whether appeared first time / repetitive / since how long continuing : First Time

d. **For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:** Quantification is given in the note mentioned in para a above.

Management's view: As per the Master Framework Agreement (MFA) executed between the Company and Lenders on December 16, 2017 pursuant to the S4A Scheme, the company is regularly servicing the coupon rate attached to the Optionally Convertible Debentures (OCDs). The difference between weighted average interest and coupon rate being Yield to Maturity (YTM) though, accruing on annual basis from the date of allotment is payable as redemption premium in a phased manner in 13 equal instalments commencing from the Financial year 2024-25. Based on the legal opinion obtained, the management is of the view that such YTM as redemption premium is payable only in the event of redemption of OCDs and not upon the conversion of the OCDs into the equity shares of the Company, based on the right of conversion as may be exercised by the holders from time to time. Accordingly, the management considers such YTM as contingent liability and has not provided the premium in the books of the Company.

e. **For Audit Qualification(s) where the impact is not quantified by the auditor:** Not applicable
(i) Management's estimation on the impact of audit qualification: Given in Sr I.
(ii) If management is unable to estimate the impact, reasons for the same: Not applicable
(iii) Auditors' Comments on (i) or (ii) above: Already explained in Sr I and II above.

III. Signatories:

Shalu Bhandari
Director

D.K. Shukla
Audit Committee Chairman

Alok Kumar Vaish
Chief Financial Officer

Lalit R Mhalsekar
Statutory Auditor

Mumbai
May 22, 2019

ANNEXURE XI

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along with the Annual Audited Financial Results (Consolidated) for the Financial Year ended March 31, 2019
[Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]

₹ Crore

I.

Sr. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
1	Turnover / Total income	6,902.28	6,902.28
2	Total Expenditure	7,036.22	7,439.85
3	Net Profit/(Loss)	(136.57)	(540.20)
4	Earnings Per Share	(1.24)	(4.91)
5	Total Assets	13,790.98	13,790.98
6	Total Liabilities	11,013.88	11,528.38
7	Net Worth	2,777.11	2,262.61
8	Any other financial item(s) (as felt appropriate by the management)	The contingent liability on account of accumulated YTM payable as redemption premium on OCDs : ₹ 514.50 crore	The contingent liability on account of accumulated YTM payable as redemption premium on OCDs : NIL

II. Audit Qualification (each audit qualification separately):

a. **Details of Audit Qualification:** Regarding non-provision of premium payable on Optionally Convertible Debentures (OCDs) issued to lenders pursuant to the Scheme for Sustainable Structuring of Stressed Assets (S4A Scheme) which stipulates that the yield to maturity (YTM) being the difference between weighted average interest and coupon rate payable as redemption premium at the time of redemption of OCDs redeemable in 13 equal instalments commencing from the Financial year 2024-25. The Company considers such YTM premium as contingent liability and has not provided the premium in the books of account for the year March 2019 amounting to ₹ 403.63 crore. The aggregate liability for such YTM from the date of allotment of OCDs till year ended March 31, 2019 is ₹ 514.50 crore from date of allotment of OCDs. Had such interest been provided, the reported loss for the year ended March 2019 would have been ₹ 540.20 crore and Networth of the Group would have been ₹ 2,262.61 crore.

b. **Type of Audit Qualification :** Qualified Opinion / ~~Disclaimer of Opinion / Adverse Opinion~~

c. **Frequency of qualification:** Whether appeared first time / repetitive / since how long continuing : First Time

d. **For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:** Quantification is given in the note mentioned in para a above.

Management's view: As per the Master Framework Agreement (MFA) executed between the Company and Lenders on December 16, 2017 pursuant to the S4A Scheme, the company is regularly servicing the coupon rate attached to the Optionally Convertible Debentures (OCDs). The difference between weighted average interest and coupon rate being Yield to Maturity (YTM) though, accruing on annual basis from the date of allotment is payable as redemption premium in a phased manner in 13 equal instalments commencing from the Financial year 2024-25. Based on the legal opinion obtained, the management is of the view that such YTM as redemption premium is payable only in the event of redemption of OCDs and not upon the conversion of the OCDs into the equity shares of the Company, based on the right of conversion as may be exercised by the holders from time to time. Accordingly, the management considers such YTM as contingent liability and has not provided the premium in the books of the Company.

e. **For Audit Qualification(s) where the impact is not quantified by the auditor:** Not applicable

(i) Management's estimation on the impact of audit qualification: Given in Sr I.

(ii) If management is unable to estimate the impact, reasons for the same: Not applicable

(iii) Auditors' Comments on (i) or (ii) above: Already explained in Sr I and II above.

III. Signatories:

Shalu Bhandari
Director

D.K. Shukla
Audit Committee Chairman

Alok Kumar Vaish
Chief Financial Officer

Lalit R Mhalsekar
Statutory Auditor

Mumbai
May 22, 2019

Corporate Governance Report

(Pursuant to Schedule V(c) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI (LODR) Regulations, 2015)

Company's philosophy on code of governance

The Corporate Beliefs and Policies comprehensively symbolises the Group's corporate governance philosophy. The spirit embodied in Company's Corporate Governance Philosophy involves a commitment to run its business in a legal, ethical and transparent manner in best long term interest of its shareholders as well as other stakeholders, which will remain undisturbed no matter how greatly the social environment changes in the future. The Company considers corporate governance to be a system for sustainable growth by establishing and maintaining a sincere management structure and continuously increasing the Group's corporate value over the medium and long-term in both financial and non-financial (CSR) aspects to ensure the long lasting trust and faith of all stakeholders, including farmers and other suppliers, customers, business partners, shareholders and investors, lenders, regulators, employees, local communities and society at large.

The Company recognises the importance of developing and establishing the corporate governance system based on its organisational strength that ensures a system of structural, procedural and cultural safeguards. In this direction, the Company strives to inculcate best governance practices in all the spheres of its activities for achieving the Company's goals in an ethical and compliant manner. The basic tenets of Company's Corporate Governance Principles have been adopted by the Company's Board of Directors, all of its Committees and employees at all levels as an integral part of strategic management for survival, growth, consolidation and sustainability.

Board of Directors

Composition and category of Directors

The Board of Directors of Bajaj Hindusthan Sugar has a healthy blend of Executive and Non-Executive Directors. All the Non-Executive Directors are eminent professionals and bring the wealth of their professional expertise and experience to the Management of the Company. Composition and category of directors are given in Table 1 below:

Table 1 : Composition and category

Name	Category
Mr. Kushagra Bajaj, (Chairman and Managing Director), DIN: 00017575	Executive, Promoter
Mr. M. L. Apte, DIN: 00003656	Independent, Non-Executive
Mr. D. K. Shukla, DIN: 00025409	Independent, Non-Executive
Mr. Alok Krishna Agarwal, DIN: 00127273	Independent, Non-Executive
Mr. Vipulkumar S. Modi, DIN: 06985276	Independent, Non-Executive
Ms. Shalu Bhandari, DIN: 00012556	Independent, Non-Executive
Mr. Ashok Mukand, DIN: 00324588	Nominee Director, State Bank of India (Lender)
Mr. Rajeeva, DIN: 08128796	Nominee Director, Punjab National Bank (Lender)
Mr. Ashok Kumar Gupta, Director (Group Operations), DIN: 02608184	Executive Director

Profile of Directors

The brief profile of each Director is given below:

Mr. Kushagra Bajaj, Chairman & Managing Director

Mr. Kushagra Bajaj is one of our Promoters. He graduated with a Bachelor of Science (Hons.) degree in Economics, Political Philosophy and Finance from the Carnegie Mellon University, Pittsburgh, USA. Mr. Bajaj completed his Master of Science degree in Marketing from the Northwestern University, Chicago, USA. Mr. Bajaj was the Chief Executive of the Company from August 2001 to April 2007 and was appointed as Joint Managing Director with effect from April 24, 2007. He was re-designated as the Vice Chairman and Joint Managing Director with effect from April 30, 2011 and is responsible for overall operations of our Company. He has seventeen years of experience in sugar and FMCG industries, all of which has been with our Company and with the Group Companies of our Promoters. He became the Chairman & Managing Director of the Company with effect from October 18, 2014.

Mr. M. L. Apte, Independent, Non-Executive

Mr. M. L. Apte has been a member of our Board of Directors since July 1970. He is also the Chairman of the Apte Group

of Companies. Mr. Apte is a former sheriff of Mumbai, a former president of the Maharashtra Chamber of Commerce, the Bombay Chamber of Commerce, the Cricket Club of India and the Indian Sugar Mills Association, a former member of the Indian Cotton Mills Federation and a former Chairman of the Textiles Committee.

Mr. D. K. Shukla, Independent, Non-Executive

Mr. D. K. Shukla has been a member of our Board of Directors since October 2001. He has a Bachelors Degree in Arts and a Masters Degree in Social Work. He served as a representative for the Life Insurance Corporation of India on our Board until November 11, 2008. He retired as an Executive Director of LIC in February 2003. During his tenure with LIC, he occupied positions like Regional Manager and was in charge of 3 LIC divisions. Mr. Shukla was re-inducted in the Board with effect from December 21, 2008 as an Independent Director. In addition, Mr. Shukla is a member and Chairman of our Audit Committee and Chairman of Nomination & Remuneration Committee.

Mr. Alok Krishna Agarwal, Independent, Non-Executive

Mr. Alok Krishna Agarwal has been a member of our Board of Directors since April 2007. He is the founder managing partner of Juris Consultus, Law Office now called Sheldon Law Firm at New Delhi. He is also the editor of the monthly Law Magazine "LAWZ". He graduated in law from the Delhi University in the year 1988. He was admitted to the rolls of Bar Council of India in 1989. He is a member of the Supreme Court Bar Association. He is also a life member of the Indian Council of Arbitration.

Mr. Vipulkumar S. Modi, Independent, Non-Executive

Mr. Vipulkumar S. Modi has been a member of our Board of Directors since January 2016. Mr. Modi is an Advocate and Proprietor of Vipul Modi Associates since 1995. He is an associate editor of "Law Herald". He holds degree of Bachelor of Law & Master of Law.

Ms. Shalu Bhandari, Independent, Non-Executive

Ms. Shalu Bhandari has been a member of our Board of Directors since September 17, 2016. She is a qualified Company Secretary and a fellow Member of the Institute of Company Secretaries of India. Ms. Bhandari is the proprietor of M/s. S.L. Bhandari & Associates, Practicing Company Secretaries operating in Mumbai since 2002. Ms. Bhandari is having experience in providing services in the field of Corporate Law matters with a dedicated focus towards handholding entrepreneurs and corporates.

Mr. Ashok Mukand, Nominee Director

Mr. Ashok Mukand has been appointed as a Director, nominated by State Bank of India, since September 2015. Mr. Mukand joined SBI on December 14, 1970. Until his retirement on May 31, 2009, he had served SBI in various senior positions like CGM, LHO Kolkata and DMD & CFO, Corporate Centre, Mumbai.

Mr. Rajeeva, Nominee Director

Mr. Rajeeva has been appointed as Director, nominated by Punjab National Bank, May 26, 2018. Mr. Rajeeva aged 50 years is a professional banker having 25 years of experience. Mr. Rajeeva is presently designated as Circle Head, Punjab National Bank, Noida. Mr. Rajeeva holds the degree of M.A., CAIIB and MBA (Banking and Finance).

Mr. Ashok Kumar Gupta, Executive Director

Mr. Ashok Kumar Gupta has been a member of our Board of Directors since October 2012. He has experience of more than 42 years in the Sugar Industry. After completing his M.Com from Agra University, he had started his service career from Dhampur Sugar Mills, in 1970 and thereafter joined Upper Doab Sugar Mills, in August 1978. Thereafter, he had joined Bajaj Hindusthan Sugar Limited, on May 31, 1982 and since then continuing with BHSL. During his long tenure with BHSL, he had worked in various senior posts in different departments and presently working as Director (Group Operations), Sugar & Distillery Divisions. He is a patron Member of The Sugar Technologists' Association of India. He has been awarded with "GEM OF INDIA AWARD" on June 30, 2011 by Council for National Development, New Delhi on its 58th National Convention of National Building through Individual Achievements.

Board procedures

Information supplied to the Board

The Board of Bajaj Hindusthan Sugar has complete access to any information within the Company and to any employee of the Company. At the meetings, the Board is provided with all the relevant information on important matters affecting the working of the Company as well as all the related details that require deliberation by the members of the Board.

Number of meetings of the board of directors held and dates on which held

During the financial year 2018-19, the Board of Directors met seven times on May 26, 2018, July 06, 2018, August 09, 2018, September 27, 2018, November 02, 2018, November 21, 2018 and February 12, 2019. The gap between any two meetings has been less than four months.

Out of the aforesaid, Six Board Meetings were held through video conferencing facility.

Table 2: Attendance of each director at the meeting of the board of directors and the last annual general meeting

Name	Board Meetings held / attended	Whether attended previous AGM held on September 21, 2018
Mr. Kushagra Bajaj (Chairman and Managing Director), DIN: 00017575	07/01	No
Mr. M. L. Apte, DIN: 00003656	07/05	No
Mr. D. K. Shukla, DIN: 00025409	07/07	Yes
Mr. Alok Krishna Agarwal, DIN: 00127273	07/06	No
Mr. Vipulkumar S. Modi, DIN: 06985276	07/07	No
Ms. Shalu Bhandari, DIN: 00012556	07/06	No
Mr. Ashok Mukand, DIN: 00324588	07/06	No
Mr. Rajeeva, DIN:08128796 (w.e.f. May 26, 2018)	06/00	No
Mr. Ashok Kumar Gupta Director (Group Operations), DIN: 02608184	07/05	Yes

Meeting of Independent Directors

As stipulated by the Code of Independent Directors under the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015, a separate meeting of the Independent Directors of the Company during the calendar year 2018 was held on May 26, 2018 to review the performance of Non-Independent Directors (including the Chairman) and the Board as whole. The Independent Directors also reviewed the quality, content and timelines of the flow of information between the Management and the Board and its Committees which is necessary to effectively and reasonably perform and discharge their duties.

Agenda

All the meetings are conducted as per well designed and structured agenda. All the agenda items are backed by necessary supporting information and documents (except for the critical price sensitive information, which is circulated at the meeting) to enable the Board to take informed decisions. Agenda also includes minutes of the meetings of all the Board, Committees and Subsidiaries for the information of the Board. Additional agenda items in the form of "Other Business" are included with the permission of the Chairman. Agenda papers are generally circulated seven days prior to the Board Meeting. In addition, for any business exigencies, the resolutions are passed by circulation and later placed in the subsequent Board Meeting for noting and made part of the minutes of such meeting.

Invitees & proceedings

Apart from the Board members, the Company Secretary and the CFO are invited to attend the Board Meetings. Other senior management executives are called as and when necessary, to provide additional inputs for the items being discussed by the Board. The CFO makes presentation on the quarterly and annual operating and financial performance and on annual operating & capex budget. The Managing Director, CFO and other senior executives make presentations on capex proposals & progress, operational health & safety and other business issues. The Chairman of various Board Committees brief the Board on all the important matters discussed and decided at their respective committee meetings, which are generally held prior to the Board Meeting.

Post meeting action

Post meetings, all important decisions taken at the meeting are communicated to the concerned officials and departments. Action Taken Report is prepared and reviewed periodically by the Company Secretary for action taken/pending to be taken.

Support and role of Company Secretary

The Company Secretary is responsible for convening the Board and Committee meetings, preparation and distribution of Agenda and other documents and recording of the Minutes of the meetings. He acts as interface between the Board and the Management and provides required assistance and assurance to the Board and the Management on compliance and grievance aspects.

Other directorship and membership of Board Committees

Details of the number of Directorships held in other companies and positions held in all public limited companies by Directors of Bajaj Hindusthan Sugar are summarised in Table 3.

Table 3: Directorship in other companies and committee position in all public limited companies as at March 31, 2019

Name	Directorship in all other companies	Committee Membership			Committee Chairmanship		
		In Listed Public Companies	In Unlisted Public Companies	Total	In Listed Public Companies	In Unlisted Public Companies	Total
Mr. Kushagra Bajaj	2	2	Nil	2	1	Nil	1
Mr. M. L. Apte	6	10	Nil	10	1	Nil	1
Mr. D. K. Shukla	2	2	2	4	2	1	3
Mr. Alok Krishna Agarwal	10	3	1	4	Nil	Nil	Nil
Mr. Vipulkumar S. Modi	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Ms. Shalu Bhandari	3	1	3	4	Nil	Nil	Nil
Mr. Ashok Mukand	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Mr. Rajeeva	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Mr. Ashok Kumar Gupta	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

1. Private Limited Companies, Foreign Companies and Companies under Section 8 have been excluded for the purposes of calculating committee positions.
2. Memberships/Chairmanship in only Audit Committees and Stakeholders' Relationship Committee in all Public Limited Companies (including Bajaj Hindusthan Sugar) have been considered for committee positions as per the SEBI (LODR) Regulations.

None of the Directors of Bajaj Hindusthan Sugar is a member in more than 10 committees and Chairman of more than 5 committees across all companies in which he/she is a Director.

Names of listed entities where the directors of the Company is director and the category of directorship

Details of listed entities and category of directorship are given in Table 4:

Table 4: Names of listed entities and category of directorship as at March 31, 2019

Name	Name of listed companies	Category of directorship
Mr. Kushagra Bajaj	Bajaj Consumer Care Limited	Non-Executive - Non Independent Director, Chairperson related to Promoter
Mr. M. L. Apte	1. Grasim Industries Limited	1. Independent Director
	2. Zodiac Clothing Co. Limited	2. Independent Director
	3. Bombay Burmah Trading Corporation Ltd.	3. Independent Director
	4. Standard Industries Limited	4. Independent Director
	5. Kulkarni Power Tools Limited	5. Independent Director
	6. Raja Bahadur International Limited	6. Independent Director
Mr. Alok Krishna Agarwal	Milestone Global Limited	Non-Executive - Non Independent Director, Chairperson related to Promoter

Shares held by non-executive Directors

Shares held by non-executive Directors of the Company are given in Table 5.

Table 5: Shares held by non-executive Directors

Name of the Directors	Number of Shares held as on March 31, 2019
Mr. M. L. Apte	1,800

Induction & training of Board members

On appointment, the concerned Director is issued a Letter of Appointment setting out in detail, the terms of appointment, duties, responsibilities and expected time commitments. Each newly appointed Independent Director is taken through a formal induction programme including the presentation from the Chairman & Managing Director on the Company's manufacturing, marketing, finance and other important aspects. The Company Secretary briefs the Director about their

legal and regulatory responsibilities as a Director. The induction for Independent Directors include interactive sessions with Executive Committee Members, Business and Functional Heads, visit to the manufacturing site, etc. On the matters of specialised nature, the Company engages outside experts/consultants for presentation and discussion with the Board members.

Familiarisation programmes for Independent Directors

Independent Directors have been explained about their roles, rights, responsibilities in the Company through detailed presentations on the changes in backdrop of Companies Act, 2013 and SEBI (LODR) Regulations, 2015. The Board including all Independent Directors were provided with relevant documents, reports and internal policies to enable them to familiarise with the Company's procedures and practices from time to time. Updates on relevant statutory changes on laws concerning the Company are informed to the entire Board on regular intervals. The Independent Directors are facilitated to meet without the presence of the Company's management to discuss matters pertaining to the Company's affairs. The Board including Independent Directors is also updated periodically on Related Party Transactions and their rationale, Litigation update, various Policies and Standard Operating Procedures of the Company, Entity Level Risk, Risk Mitigation Plans, etc.

The details of such familiarisation programmes for Independent Directors are posted on the website of the Company and can be accessed at www.bajajhindusthan.com

Skills/Expertise/Competence of the Board of Directors

Matrix setting out the list of skills/expertise/competence identified by the board of directors as required in the context of the Company's business(es) and sector(s) for it to function effectively and those actually available with the board are given in Table 6:

Table 6: List of skills/expertise/competence identified by the board of directors as required in the context of the Company's business (es) and sector(s)

Part A: Collective Skills

Skill Area	Description	Skill/expertise/ competence available with the Board
Strategy and planning	Ability to think strategically; identify and critically assess strategic opportunities and threats. Develop effective strategies in the context of the strategic objectives of Bajaj Hindusthan Sugar Limited relevant policies and priorities.	Yes
Policy Development	Ability to identify key issues and opportunities for Bajaj Hindusthan Sugar Limited and develop appropriate policies to define the parameters within which the organisation should operate.	Yes
Governance, Risk and Compliance	Experience in the application of corporate governance principles in a commercial enterprise or other regulated entity.	Yes
	Ability to identify key risks to Bajaj Hindusthan Sugar Limited in a wide range of areas including legal and regulatory compliance.	Yes
	Experience in the appointment and evaluation of senior executive managers.	Yes
Financial Performance	Qualifications and experience in accounting and/or finance and the ability to:	
	• Analyse key financial statements;	Yes
	• Critically assess financial viability and performance;	
	• Contribute to strategic financial planning;	
	• Oversee budgets and the efficient use of resources;	
	• Oversee funding arrangements and accountability.	
Government Relations (policy & process)	Experience in managing government relations and industry advocacy strategies.	Yes
Member and stakeholder engagement	High level reputation and established networks in the consumer or business groups, and the ability to effectively engage and communicate with key stakeholders.	Yes
Commercial Experience	A broad range of commercial/business experience, in areas including communications, marketing, branding and business systems, practices and improvement.	Yes

Skill Area	Description	Skill/expertise/ competence available with the Board
Legal	Qualification and experience in legal practice with emphasis on:	
	• Sugar Industry	Yes
	• Employment law	
	• Health & Safety legislation	
Human Resource Management	Qualification and experience in human resource management with an understanding of:	
	• Sugar Industry	Yes
	• Employment law	
Information Technology / Digital Skills	Qualification and experience in IT Digital skills with an ability to apply new technology to the sugar industries.	Yes

Part B: Personal Attributes

Attributes	Description	Skill/expertise/ competence available with the Board
Integrity (ethics)	A commitment to: • Understanding and fulfilling the duties and responsibilities of a Director, and maintaining knowledge in this regard through professional development;	Yes
	• Putting Bajaj Hindusthan Sugar Limited interests before any personal interests;	
	• Acting in a transparent manner and declaring any activities or conduct that might be a potential conflict;	
	• Maintaining Board confidentiality at all times.	
Effective Communicator	The ability to: • Listen to, and constructively and appropriately debate, other people's viewpoints;	Yes
	• Develop and deliver cogent arguments;	
	• Communicate effectively with a broad range of stakeholders.	
Constructive Questioner	The preparedness to ask questions and challenge Bajaj Hindusthan Sugar Limited management and peer Directors in a constructive and appropriate way about key issues.	Yes
Contributor and Team Player	The ability to work as part of a team, and demonstrate the passion and time to make a genuine and active contribution to the Bajaj Hindusthan Sugar Limited Board.	Yes
Commitment	A visible commitment to the purpose for which the Company has been established and operates, and its on-going success.	Yes
Leader	Innate leadership skills, including the ability to:	
	• Appropriately represent Bajaj Hindusthan Sugar Limited;	Yes
	• Set appropriate Board and organisation culture;	
	• Make and take responsibility for decisions and actions.	

Confirmations of the Board regarding Independent directors

In the opinion of the board, the independent directors fulfil the conditions specified in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of the management.

Evaluation of the Board's performance

During the financial year, the Board adopted a formal mechanism for evaluating its performance and as well as that of its Committees and Individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board and Committees, experience and competencies, performance of specific duties and obligations, governance issues, etc. Separate exercise was carried out to evaluate the performance of individual Director, including the Board Chairman who were evaluated on parameters such as attendance, contribution at the meetings and otherwise, independent judgement, safeguarding of minority shareholders interest, etc. The evaluation of the Independent Directors was carried out by the entire Board and that of the Chairman and Non-independent Directors were carried out by the Independent Directors. The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

Code of Conduct

The Company has adopted a Code of Conduct for the Directors and Senior Management of the Company. The same has been posted on the website of the Company. The members of the Board and Senior Management of the Company have submitted their affirmation on compliance with the Code for the effective period. The Declaration by the Chairman & Managing Director to that effect forms part of this Report.

Prevention of insider trading code

As per SEBI (Prohibition of Insider Trading) Regulation, 2015, the Company has adopted a Code of Conduct for Prevention for Insider Trading. All the Directors, employees at Senior Management and other employees who could have access to the unpublished price sensitive information of the Company are governed by this code. The trading window is closed during the time of declaration of results and occurrence of any material events as per the code. The Company has appointed Mr. Kausik Adhikari, Deputy Company Secretary as Compliance Officer, who is responsible for setting forth procedures and implementation of the code for trading in Company's securities. During the financial year under review, there has been due compliance with the said code.

Board Committees

Table 7: Board Committees

Committee	Members (Category)
Audit Committee	Mr. D. K. Shukla, Chairman* (Independent, Non-Executive) Mr. Alok Krishna Agarwal (Independent, Non-Executive) Ms. Shalu Bhandari (Independent, Non-Executive)
Nomination and Remuneration Committee	Mr. D. K. Shukla, Chairman* (Independent, Non-Executive) Mr. M. L. Apte (Independent, Non-Executive) Mr. Alok Krishna Agarwal (Independent, Non-Executive)
Stakeholders' Relationship Committee	Mr. M. L. Apte, Chairman* (Independent, Non-Executive) (up to 12/02/2019) Mr. Kushagra Bajaj (Chairman & Managing Director) Mr. Vipulkumar S. Modi (Independent, Non-Executive) Mr. D.K. Shukla, Chairman* (Independent, Non-Executive), (w.e.f. 12/02/2019)
Corporate Social Responsibility Committee	Mr. Kushagra Bajaj, Chairman* (Chairman & Managing Director) Mr. Alok Krishna Agarwal (Independent, Non-Executive) Mr. Ashok Kumar Gupta, Director (Group Operations)
Risk Management Committee	Mr. Kushagra Bajaj, Chairman* (Chairman & Managing Director) Mr. Ashok Kumar Gupta, Director (Group Operations) Mr. Vipulkumar S. Modi (Independent, Non-Executive) Mr. Pradeep Parakh, Group President (GRC) & Company Secretary Mr. Alok Kumar Vaish, Chief Financial Officer

* Chairman of the respective committee

The Board is responsible for constituting, assigning, co-opting and fixing of terms of service for committee members of various committees. The Chairman of the Board, in consultation with the Company Secretary and the Committee Chairman, determines the frequency and duration of the committee meetings. Recommendations of the committees are submitted to the Board for approval. The quorum for meetings is as per the Companies Act, 2013 and SEBI (LODR) Regulations.

Audit Committee

Brief description of terms of reference

The terms of reference of Audit Committee are quite comprehensive and include all requirements mandated under Regulation 18 of SEBI (LODR) Regulations, 2015 and Section 177 of the Companies Act, 2013. The Committee focussed its attention on overseeing and monitoring the financial reporting system within the Company, considering quarterly, half-yearly and annual financial results of the Company and submitting its observations to the Board of Directors before its adoption by the Board, review of annual budgets, annual internal audit plans, legal compliance reporting system, implementation of SAP, review of internal control systems, audit methodology and process, major accounting policies and practices, compliance with accounting standards, risk management and risk disclosure policy and uses of proceeds from Preferential Issue. The Audit Committee also continued to advise the management on areas where greater internal control and internal audit focus was needed and on new areas to be taken up for audit.

These were based on the Committee's discussions and review of the observations of the reports submitted by the Company's Internal Audit Department on systems and controls, cost control measures and statutory compliance in various functional areas.

Composition, name of members and chairperson

The Audit Committee in Bajaj Hindusthan Sugar was constituted in 1989 and thereafter reconstituted from time to time as per the Companies Act, 2013 and SEBI Listing Regulations. The Committee's composition conforms to the requirements of Regulation 18 of SEBI (LODR) Regulations, 2015 and Section 177 of the Companies Act, 2013. The composition of Audit Committee is given in Table 7. All the committee members possess sound knowledge of accounts, audit and finance.

Meetings and attendance during the year

During the financial year ended March 31, 2019, the Audit Committee met six times on May 26, 2018, July 06, 2018, August 09, 2018, September 27, 2018, November 02, 2018 and February 12, 2019. The gap between any two meetings has been less than four months. Out of the aforesaid, five Audit Committee meetings were held through video conferencing facility in terms of the circulars issued by the Ministry of Corporate Affairs.

The attendance of each Committee Member is provided in Table 8.

Table 8: Attendance at the meetings of the audit committee of directors during financial year 2018-19

Name of Committee Members	Category	Audit Committee Meetings held / attended
Mr. D. K. Shukla, Chairman*	Independent, Non-Executive	06/06
Mr. Alok Krishna Agarwal	Independent, Non-Executive	06/06
Ms. Shalu Bhandari	Independent, Non-Executive	06/06

*Chairman of the audit committee

Mr. Kushagra Bajaj, Chairman and Managing Director, is permanent invitee to the Audit Committee Meetings. In addition, the heads of the Finance and Internal Audit functions, representatives of Statutory Auditors, Cost Auditors and other executives as are considered necessary, generally attended these meetings. The Company Secretary acts as the Secretary to the Audit Committee.

Nomination and Remuneration Committee

Brief description of terms of reference

The terms of reference of Nomination and Remuneration Committee are quite comprehensive and include all requirements mandated under Regulation 19 of SEBI (LODR) Regulations, 2015 and Section 178 of the Companies Act, 2013. The terms of reference of the Committee inter alia includes the following:

a) To determine the Company's policy on remuneration to Executive directors and their relatives working in the Company, including pension rights and compensation payments;

b) Recommend to the board, all remuneration, in whatever form, payable to senior management;

c) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;

d) Formulation of criteria for evaluation of performance of independent directors and the board of directors;

e) Devising a policy on diversity of board of directors;

f) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal;

g) Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

Composition, name of members and chairperson

The Remuneration Committee was constituted in 2003 and has been re-christened as Nomination and Remuneration Committee with effect from August 11, 2010. The Committee was reconstituted from time to time as per Companies Act, 2013. The Committees composition conforms to the requirements of Regulations 19 of SEBI (LODR) Regulations, 2015 and Section 178 of the Companies Act, 2013 and SEBI Listing Regulations. At present, the Committee is consisting of three non-executive Directors. The composition of the Nomination and Remuneration Committee is given in Table 7.

Meeting and attendance during the year

During the financial year ended March 31, 2019, the Nomination and Remuneration Committee met two times on August 09, 2018 and February 12, 2019. The attendance of each Committee Member is provided in Table 9.

Table 9: Attendance at the meetings of the nomination and remuneration committee of directors during the financial year ended March 31, 2019

Name of Committee Members	Category	Nomination and Remuneration Committee Meetings held / attended
Mr. D. K. Shukla, Chairman*	Independent, Non-Executive	02/02
Mr. M. L. Apte	Independent, Non-Executive	02/01
Mr. Alok Krishna Agarwal	Independent, Non-Executive	02/02

* Chairman of the committee

Performance evaluation criteria for independent directors

Performance evaluations of Independent directors were made based on the following criteria:

General
- Attends Board meetings regularly.
- Comes well prepared for the Board meetings and participates actively, consistently and effectively.
- Initiates contact with the Chair, when appropriate.
- Benefits the organisation through personal and professional contacts.

Strategic and Functional
- Understands the critical issues affecting the Company.
- Stays abreast of trends impacting business of the Company.
- Keeps abreast with the changes in the external environment.
- Prompts board discussion on strategic issues.
- Understands the Company's strategic direction.
- Brings relevant experience to the Board and uses it effectively. Understands the distinction between the board's policy role and management's implementation / operational role.
- Understands and can evaluate the risk environment of the organisation.

Ethics and Values
- Acts independent of any stakeholder group or entity connected with the business.
- Manages the conflicts in the best interests of the Company.
- Conducts himself/herself in a manner that is ethical and consistent with the laws of the land.
- Maintains confidentiality wherever required.

Team Player
- Seeks to establish and maintain good personal relations with their co-director and management.
- Shares information willingly.
- Listens attentively to the contribution of others.
- Maintains objectivity in the face of difficult decisions.
- Communicates in an open and constructive manner.

Self-Development
- Seeks opportunities for self-development.
- Is open to feedback about performance.
- Takes action to rectify shortcomings.
- Seeks satisfaction and accomplishment through serving on the Board.

Remuneration policy

The Nomination and Remuneration Committee is fully empowered to determine/approve and revise, subject to necessary approvals, the remuneration of managerial personnel including Whole-time Director and Managing Director after taking into account the financial position of the Company, trend in the industry, qualifications, experience, past performance and past remuneration, etc. The Non-Executive Directors are paid sitting fees for every meeting of the Board and its Committees attended by them.

Remuneration to Directors

Pecuniary relationship and transactions of non-executive directors with Bajaj Hindusthan Sugar

The Register of Contracts maintained by the Company pursuant to the provisions of Section 189(1) of the Companies Act, 2013 and rule 16(1) of the Companies (Meetings of Board & its Powers) Rules, 2014, contains particulars of all contracts or arrangements with any related party under Section 188 or in which any director is concerned or interested under sub section (2) of Section 184 applies. The Register is signed by all the Directors present during the respective Board meetings held from time to time.

Remuneration of Non-Executive Directors

Non-Executive Directors were paid a sitting fee of ₹40,000 for attending each Board Meeting, ₹20,000 for Audit Committee meeting and ₹10,000 for other committee meeting. The details of sitting fees paid to Non-Executive Directors during the financial year ended March 31, 2019 are provided in Table 10.

Remuneration of Executive Directors

The Executive Directors – Mr. Kushagra Bajaj and Mr. Ashok Kumar Gupta were paid remuneration as per their respective terms of appointment approved by the shareholders of the Company. No pension is paid by the Company to any of the Directors.

The Company did not advance any loans to any of the Executive and/or Non-Executive Directors during the period under review. The details of remuneration paid to the Directors of the Company are given in Table 10.

Table 10: Remuneration of Directors during the financial year ended March 31, 2019

Name of Directors	Salary ₹	Commission	Performance linked incentive	Sitting fees ₹	Total ₹	Notice period
Mr. Kushagra Bajaj Chairman & Managing Director	1,84,66,945	--	--	--	1,84,66,945	N.A.
Mr. M. L. Apte	--	--	--	2,50,000	2,50,000	N.A.
Mr. D. K. Shukla	--	--	--	4,30,000	4,30,000	N.A.
Mr. Alok Krishna Agarwal	--	--	--	4,00,000	4,00,000	N.A.
Mr. Vipulkumar S. Modi	--	--	--	3,20,000	3,20,000	N.A.
Ms. Shalu Bhandari	--	--	--	3,70,000	3,70,000	N.A.
Mr. Ashok Mukand	--	--	--	2,40,000	2,40,000	N.A.
Mr. Rajeeva (with effect from 26/05/2018)	--	--	--	--	--	N.A.
Mr. Ashok Kumar Gupta Director (Group Operations)	1,11,29,762	--	--	--	1,11,29,762	A

Note: The term of office of Mr. Kushagra Bajaj and Mr. Ashok Kumar Gupta are 5 years from the date of re-appointment. The Company does not have any service contract with any of the Directors.

No Stock options was given to directors.

Stakeholders' Relationship Committee

Composition, meeting and name of non-executive director heading the committee

The Committee is headed by Mr. M.L. Apte and the Board has inducted Mr. D.K. Shukla as a Member and Chairman w.e.f. February 12, 2019 consists of the members as stated in Table 11 below. During the financial year ended March 31, 2019, the Stakeholders' Relationship Committee met three times on May 26, 2018, November 02, 2018 and February 12, 2019.

The attendance of each Committee Member is provided in Table 11.

Table 11: Attendance at the meetings of the stakeholders' relationship committee during the financial year ended March 31, 2019

Name of Committee Members	Category	Stakeholders' Relationship Committee Meetings held / attended
Mr. M. L. Apte, Chairman (up to 12/02/2019)	Independent, Non-Executive	03/03
Mr. Kushagra Bajaj	Chairman & Managing Director	03/01
Mr. Vipulkumar S. Modi	Independent, Non-Executive	03/03
Mr. D.K. Shukla (w.e.f. 12/02/2019)	Independent, Non-Executive	--

The Stakeholders' Relationship Committee is responsible for speedy disposal of all grievances/complaints relating to shareholders/investors. The Committee specifically looks into the redressal of shareholder and investor complaints on matters relating to transfer of shares, non-receipt of annual report, non-receipt of declared dividends, etc. In addition, the Committee advises on matters which can facilitate better investor services and relations.

Name and designation of compliance officer

Mr. Kausik Adhikari, Deputy Company Secretary, has been designated as the Compliance Officer.

The Company has designated the email id "investor.complaints@bajajhindusthan.com" exclusively for the purpose of registering complaints by investors electronically. This e-mail id is displayed on the Company's website i.e. www.bajajhindusthan.com.

Details of shareholders' complaints during the year

The detailed particulars of investors' complaints handled by the Company and its Registrar & Share Transfer Agent during the financial year are stated in Table 12.

Table 12: Details of investor complaints during the financial year ended March 31, 2019

	Number of Shareholders' complaints received during 2018-19	Solved to the satisfaction of Shareholders	Not solved to the satisfaction of Shareholders	Number of Pending Complaints
Non-receipt of Dividend/ Dividend Warrant	2	2	0	0
Non-receipt of Share Certificate	2	2	0	0
Non-receipt of Annual Report	10	10	0	0
Legal and others	1	1	0	0
Total	**15**	**15**	**0**	**0**

None of the complaints is pending for a period exceeding 30 days. All the requests for transfer of shares have been processed on time and there are no transfers pending for more than 15 days.

Over and above the aforesaid Complaints, the Company and its Registrar & Share Transfer Agent have received letters/ queries/requests on various matters such as change of address, change of bank particulars, ECS mandate, nomination request, etc. and we are pleased to report that except for requests received during the year end which are under process, all other queries/requests have been replied on time.

Risk Management Committee

Constitution

The Company has constituted a Risk Management Committee as required under Regulation 21 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Committee is headed by the Chairman, Mr. Kushagra Bajaj and consists of the members as stated in Table 13 below.

Brief description of terms of reference

The terms of reference of Risk Management Committee are quite comprehensive and include all requirements mandated under SEBI (LODR) Regulations, 2015. The Committee focussed its attention to periodically assess risks to the effective execution of business strategy and review key leading indicators in this regard, to review the cyber security of the Company, to review and approve the Risk Management Framework of the Company, to evaluate significant risk exposures of the Company and assess management's actions to mitigate the exposures in a timely manner.

Table 13: Composition of Risk Management Committee during the financial year ended March 31, 2019

Name of Committee Members	Category
Mr. Kushagra Bajaj, Chairman	Chairman & Managing Director
Mr. Ashok Kumar Gupta	Director (Group Operations)
Mr. Vipulkumar S. Modi	Independent Director – Non-Executive
Mr. Pradeep Parakh	Group President (GRC) & Company Secretary
Mr. Alok Kumar Vaish	Chief Financial Officer

The Company Secretary of the Company shall act as Secretary to the Risk Management Committee.

During the financial year ended March 31, 2019, no meeting was held for the Risk Management Committee.

Corporate Social Responsibility Committee

Constitution

The Company has constituted a Corporate Social Responsibility Committee (CSR) as required under Section 135 of the Companies Act, 2013. The Committee is headed by the Board Chairman, Mr. Kushagra Bajaj and consists of the members as stated in Table 14 below.

Table 14: Composition of corporate social responsibility committee during the financial year ended March 31, 2019

Name of Committee Members	Category
Mr. Kushagra Bajaj, Chairman	Chairman & Managing Director
Mr. Alok Krishna Agarwal	Independent, Non-Executive
Mr. Ashok Kumar Gupta	Director (Group Operations)

During the financial year ended March 31, 2019, the Corporate Social Responsibility Committee met one time on May 26, 2018.

The attendance of each Committee Member is provided in Table 15.

Table 15: Attendance at the meetings of the CSR Committee during the financial year ended March 31, 2019

Name of Committee Members	Category	CSR Committee Meetings held/ attended
Mr. Kushagra Bajaj, Chairman	Chairman & Managing Director	01/00
Mr. Alok Krishna Agarwal	Independent, Non-Executive	01/01
Mr. Ashok Kumar Gupta	Director (Group Operations)	01/01

Independent Directors' Meeting

During the year under review, the Independent Directors met on May 26, 2018, inter alia, to:

- Evaluate performance of Non-Independent Directors and the Board of Directors as a whole;
- Evaluate performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors;
- Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at the Meeting.

CEO/CFO Certification

The Chairman and Managing Director and Chief Finance Officer of the Company have certified to the Board of Directors, inter alia, the accuracy of financial statements and adequacy of internal controls for the financial reporting as required under Regulation 17(8) of the Listing Regulations for the year ended March 31, 2019.

Other Disclosures

Material significant related party transactions

There were no transactions of material value with related parties viz. Promoters, Directors or the management, subsidiaries or relatives having any potential conflict with the interests of the Company.

Details of non-compliance

There were no instances of non-compliance on any matter related to the capital markets during the last three years. No penalties or strictures were imposed on the Company by any stock exchange or SEBI or any statutory authority on any matter related to capital markets during last three years.

Whistle blower/Vigil mechanism policy

The Board of Directors of Bajaj Hindusthan Sugar Limited (BHSL) and Chairman & Managing Director of the Company are committed to maintain the highest standards of honesty, openness and accountability and recognise that each and every person in BHSL has an important role to play in achieving the organisational goals. It is the policy of the Company to encourage employees, when they have reasons to suspect questionable accounting/audit practices, or the reporting of fraudulent financial information to shareholders, the Government or the financial markets, and/or serious misconduct otherwise, to report those concerns to the Company's management. No personnel has been denied access to the Audit Committee.

Details of compliance with mandatory requirements and adoption of non-mandatory/ discretionary requirements

The Company has complied with all mandatory requirements of Corporate Governance and Report as specified in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and compliance with the non-mandatory/discretionary requirements has been detailed hereunder:

(1) The Board

The requirement regarding non-executive chairman is not applicable, since the Chairman of the Company is executive chairman.

(2) Training of Board members

Directors are fully briefed on all business-related matters, risk assessment and new initiatives proposed by the Company.

(3) Reporting of Internal Auditor

The Internal Auditor of the Company reports directly to the Audit Committee in all functional matters.

Policy for determining material subsidiary

At present, the Company has no material non-listed Subsidiary Company. Accordingly, the requirement of appointing at least one Independent Director on the Board is not applicable. The Board reviews the financial statements particularly investments made by its subsidiary companies and the minutes of the Board meeting of the unlisted subsidiary companies are placed at the Board meeting of the Company along with a statement of all significant transactions and arrangements entered into by the subsidiaries. The policy on Material Subsidiary is posted on the website of the Company and can be accessed at www.bajajhindusthan.com.

Policy on dealing with related party transactions

The policy on Material Subsidiary is posted on the website of the Company and can be accessed at www.bajajhindusthan.com.

Disclosure of commodity price risks/foreign exchange risk and commodity/foreign exchange hedging activities

A. Commodity risks and hedging

Sugar is traded in spot and future markets on commodity exchange both in the Indian and Global commodity markets. Most of the Company's sugar trade is however concentrated in domestic spot markets. As per the Industry's convention, in domestic market, Physical Sugar is mostly traded on spot basis on prevailing physical sugar prices and is not through exchange (spot or futures market) barring miniscule trade of Institutional trade through exchange.

The Company is exposed to usual price risk associated with fluctuations in sugar prices.

B. Foreign exchange risks and hedging

The Company does not have material foreign exchange risk in the normal course of its business. The Company also does not have any foreign currency loans.

Hedging through forward/futures contracts is done as and when need arises for booking the exposure arising out of imports/exports.

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

During the year, no fund was raised through preferential allotment or qualified institutions placement.

Certificate regarding non-disqualification of directors

The Company has obtained a certificate from M/s Anant B Khamankar & Co., Practising Company Secretary that none of the directors on the board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.

Disclosure regarding non-acceptance of recommendation of any committee of the board

During the year, there was no such instance where the board had not accepted any recommendation of any committee of the board which is mandatorily required.

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

During the year 2018-19 following fees were paid to the statutory auditors by the Company.

Amount in ₹

Sr. No.	Nature of services	Fees paid
1	Statutory audit	50,74,000
2	Tax audit	5,90,000
3	Limited review	14,16,000
4	Audit of consolidated financial statements	3,54,000
5	Audit of abridged financial statements	2,36,000
6	Certifications	1,18,000
7	Reimbursement of out-of-pocket expenses	88,675
	Total	**78,76,675**

Notes:
1. Fees paid including provisions made during the year.
2. Amount paid including GST.
3. No fees were paid by subsidiary of the Company to the statutory auditors of the Company.

Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

a. Number of complaints filed during the financial year : Nil

b. Number of complaints disposed of during the financial year : Nil

c Number of complaints pending as on end of the financial year : Nil

Steps for prevention of insider trading practices

In compliance with the SEBI (Prevention of Insider Trading) Regulations as amended in 2015, the Company has issued a comprehensive set of guidelines after incorporating the amendments prescribed by SEBI, advising and cautioning management staff and other relevant business associates on the procedure to be followed while dealing in equity shares of Bajaj Hindusthan Sugar Limited and disclosure requirements in this regard. The Company believes that "The Code of Conduct for Regulating, Monitoring and Reporting of Trading by Insiders" and "The Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information" that it has framed in this regard will help in ensuring compliance with the amended SEBI regulations.

Disclosure of the compliance with corporate governance requirements

The Company has complied with corporate governance requirements specified in Regulations 17 to 27 of the SEBI (LODR) Regulations, 2015. The Company also disseminated all the information as required under clauses (b) to (i) of sub regulations (2) of regulation 46 of SEBI (LODR) on its website www.bajajhindusthan.com.

Information to shareholders

General information of shareholders' interest is set out in a separate section titled "Shareholder Information".

Report on corporate governance

This section, read together with the information given in the sections titled (i) Management Discussion and Analysis Report and (ii) Shareholder Information, constitutes a detailed compliance report on Corporate Governance during the financial year ended March 31, 2019.

Management discussion and analysis

Management Discussion and Analysis is given in a separate section forming part of the Directors' Report in this Annual Report.

Compliance certificate regarding compliance of conditions of corporate governance

The Company has obtained a certificate from its Auditors testifying to its compliance with the condition of Corporate Governance laid down in SEBI (LODR) Regulations, 2015.

This certificate is annexed to the Directors' Report for the financial year ended March 31, 2019 and will be sent to the stock exchanges, along with the Annual Report to be filed by the Company.

General Shareholder Information

Annual General Meeting - date, time and venue

Date, Time and Venue of 87th AGM:	Friday, the 20th day of September, 2019 at 11.00 A.M. at the Conference Hall, General Office, Bajaj Hindusthan Sugar Ltd., Golagokarannath, Lakhimpur-Kheri, District Kheri, Uttar Pradesh - 262 802

The previous three Annual General Meetings (AGM) of the Company were held on the following date, time and venue. (See Table 16)

Table 16: Date, Time and Venue of Annual General Meetings held:

AGM	Day, Date & Time	Venue
84th AGM	Friday, 16th September, 2016 at 11.00 A.M.	BHSL Conference Hall, Golagokarannath, Lakhimpur-Kheri, District Kheri, Uttar Pradesh - 262 802
85th AGM	Friday, 15th September, 2017 at 11.00 A.M.	Conference Hall, General Office, Bajaj Hindusthan Sugar Limited, Golagokarannath, Lakhimpur-Kheri, District Kheri, Uttar Pradesh - 262 802
86th AGM	Friday, 21st September, 2018 at 11.00 A.M.	Conference Hall, General Office, Bajaj Hindusthan Sugar Limited, Golagokrannath, Lakhimpur-Kheri, District Kheri, Uttar Pradesh - 262 802

The summary of Special Resolutions and other important resolutions passed at the previous 3 Annual General Meetings are reported below:

84th AGM

	Subject matter of the resolutions	Type of resolution
1.	Appointment of Mr. Vipulkumar S. Modi (DIN: 06985276) as an Independent Director of the Company	Ordinary Resolution
2.	Appointment of Mr. Ashok Mukand (DIN: 01235804) as a Nominee Director of the Company	Ordinary Resolution
3.	Appointment of Mr. Binod Kumar (DIN: 07361689) as a Nominee Director of the Company	Ordinary Resolution
4.	Re-appointment of Mr. Kushagra Bajaj (DIN: 00017575) as Chairman & Managing Director of the Company for a period of further five years w.e.f. April 24, 2017	Special Resolution
5.	Payment of Minimum Remuneration to Mr. Ashok Kumar Gupta (DIN: 02608184) as Overall and Minimum Remuneration during the period from April 01, 2017 to September 30, 2017	Special Resolution
6.	Appointment of Mrs. Kiran Anuj (DIN: 02606822) as a Whole-time Director of the Company with designation as Director (Administration) for the period from June 01, 2016 to June 19, 2016	Special Resolution
7.	Ratification of the remuneration to Cost Auditors	Ordinary Resolution
8.	Resolution under Section 62(1)(c) read with Section 42 of the Companies Act, 2013 regarding further issue of share capital read with SEBI (Issue of Capital & Disclosure Requirements) Regulations, 2009	Special Resolution

85th AGM

	Subject matter of the resolutions	Type of resolution
1.	Appointment of Ms. Shalu Bhandari (DIN: 00012556) as an Independent Director of the Company	Ordinary Resolution
2.	Appointment of Mr. Mukeshkumar S. Dave (DIN: 07708691) as a Nominee Director of the Company	Ordinary Resolution
3.	Re-appointment of and remuneration payable to Mr. Ashok Kumar Gupta (DIN: 02608184) the Whole-time Director designated as Director (Group Operations) of the Company for a period of further five years w.e.f. October 01, 2017	Special Resolution
4.	Ratification of the remuneration to Cost Auditors	Ordinary Resolution

86th AGM

Subject matter of the resolutions		Type of resolution
1.	Appointment of Mr. Rajeeva (DIN: 08128796) as a Nominee Director of the Company	Ordinary Resolution
2.	Ratification of the remuneration to Cost Auditors	Ordinary Resolution

Postal Ballot & E-voting

During the year, pursuant to the provisions of Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, one postal ballot was conducted for seeking approval from the shareholders.

Person who conducted the Postal Ballot exercise: M/s Gupta Baul & Associates, Company Secretaries, Mumbai was appointed to act as the Scrutiniser for conducting the postal ballot and E-voting.

Procedure for Postal Ballot:

1. The Board of Directors, vide Resolution dated February 12, 2019 had appointed M/s Gupta Baul & Associates, Company Secretaries as the Scrutiniser.
2. The despatch of the Postal Ballot Notice dated February 12, 2019 together with Explanatory Statement was completed on February 21, 2019 along with forms and postage prepaid business envelopes to all the shareholders whose name(s) appeared on the Registers of Members/List of Beneficiaries as on February 08, 2019.
3. The voting under the Postal Ballot was kept open from February 22, 2019 to March 23, 2019 (either physically or through electronic mode).
4. Particulars of Postal Ballot forms received from the Members using the electronic platform of CDSL were entered in a register separately maintained for the purpose.
5. The Postal Ballot forms were kept under the safe custody of the Scrutiniser in sealed and tamper-proof ballot boxes before commencing the scrutiny of such postal ballot forms.
6. All Postal Ballot forms received by the Scrutiniser up to 5.00 p.m. on March 23, 2019 had been considered for his scrutiny. Postal Ballot forms received after the date had not been considered.
7. On March 26, 2019, Mr. Pradeep Parakh, Company Secretary announced the following results of the Postal Ballot as per the Scrutiniser's Report.

The details of the resolutions passed through postal ballot are as follows:

A. 1. Special Resolution for Re-appointment of Mr. M.L. Apte, who has already attained the age of 75 years, as an Independent Director of the Company for a second term of 5 (five) consecutive years with effect from April 01, 2019 to March 31, 2024

   2. Special Resolution for Re-appointment of Mr. D.K. Shukla, who has already attained the age of 75 years, as an Independent Director of the Company for a second term of 5 (five) consecutive years with effect from April 01, 2019 to March 31, 2024

   3. Special Resolution for Re-appointment of Mr. Alok Krishna Agarwal, as an Independent Director of the Company for a second term of 5 (five) consecutive years with effect from April 01, 2019 to March 31, 2024

B. The summary of the votes cast (including e-votes) based on the report submitted by Scrutiniser conducting the postal ballot is given below:

Particulars	Resolution No.1 (Special Resolution)		Resolution No. 2 (Special Resolution)		Resolution No.3 (Special Resolution)	
	No. of Shares	%*	No. of Shares	%*	No. of Shares	%*
Votes cast in favour	442008991	96.54	497236972	99.67	467743903	93.76
Votes cast against	15855308	3.46	1650284	0.33	31143353	6.24
Total	457864299	100.00	498887256	100.00	498887256	100.00

*% of total shares of valid votes

Extraordinary General Meeting

During the year, pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company had provided the facility of remote e-voting and voting through poll to the shareholders to enable them to cast their vote electronically/poll papers on the resolutions proposed in the Notice of the Extraordinary General Meeting. The e-voting was open from August 01, 2018 to August 03, 2018. Further, on August 04, 2018, voting facility through poll papers were provided to those members to vote who could not vote earlier through remote e-voting.

The Board of Directors had appointed M/s Gupta Baul & Associates, Company Secretaries, as the Scrutiniser for remote e-voting and Mr. Avinash Chaturvedi, Advocate as the Scrutiniser for poll. The Scrutinisers have carried out the scrutiny of all the electronic votes received up to the close of working hours on August 03, 2018 and poll received till the conclusion of the meeting and submitted their Reports on August 04, 2018.

The Consolidated Results as per Scrutiniser's Report dated August 04, 2018 is as follows:

Particulars	% Votes in Favour	% Votes Against
Resolution No. 1 (Ordinary Resolution): Sale of 1,54,39,900 Equity Shares of ₹10/- each held by the Company in Lalitpur Power Generation Company Limited to Bajaj Energy Limited, a related party of the Company pursuant to Section 188 of the Companies Act, 2013.	99.9692	0.0308
Resolution No. 2 (Special Resolution): Sale of undertaking as per Section 180(1)(a) of the Companies Act, 2013 in respect of Sale of 1,54,39,900 Equity Shares of ₹ 10/- each held by the Company in Lalitpur Power Generation Company Limited to Bajaj Energy Limited.	99.9692	0.0308

Dividend announcement

In view of inadequacy of profit during the year under review, directors do not recommend any dividend for the current year. The Dividend paid in the previous year was nil.

Date of book closure

Saturday, September 14, 2019 to Friday, September 20, 2019 (both days inclusive).

Transfer of unclaimed dividend to Investor Education and Protection Fund

The amounts of dividend, sum of matured fixed deposits, sum of interest on matured deposits, etc. which has remained unpaid or unclaimed for 7 years have been transferred to the Investor Education and Protection Fund within the time stipulated by law on respective due dates in accordance with the provisions of Section 124(5) of the Companies Act, 2013. During the year, ₹ 17,58,345 pertaining to the unpaid dividend for the year 2009-2010 was transferred to Investor Education and Protection Fund.

Transfer of unclaimed equity shares to Investor Education and Protection Fund (IEPF)

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

The following shares were credited to IEPF as prescribed under the Rules:

ISIN Description	Debit / Credit	Records	No. of Shares	Execution Date
Bajaj Hindusthan Sugar Limited EQ FV ₹1/-	Credit	2,899	5,26,490	19/12/2017
Bajaj Hindusthan Sugar Limited EQ FV ₹1/- each	Credit	362	2,03,080	16/12/2017
Bajaj Hindusthan Sugar Limited EQ FV ₹1/- each	Credit	1,740	1,50,575	16/12/2017
Bajaj Hindusthan Sugar Limited EQ FV ₹1/- each	Credit	1,484	1,05,301	22/12/2017
Total No. of shares credited		**6,485**	**9,85,446**	

Both the unclaimed dividends and the shares transferred to the IEPF can be claimed back by the concerned shareholders from IEPF Authority after complying with the procedure prescribed under the "Rules".

Disclosures with respect to unclaimed/unpaid dividend

Unclaimed dividends up to 1995-96 have been transferred to the General Revenue Account of the Central Government. Those who have not encashed their dividend warrants for the period prior to including 1995-96 are requested to claim the amount from Registrar of Companies – Maharashtra, CGO Building, 2nd Floor, "A" Wing, Opp. Police Commissioner's Office, C.B.D. Belapur, Navi Mumbai - 400 614.

In view of amended Section 205C of the Companies Act, 1956, followed by the issue of Investor Education and Protection Fund (Awareness and Protection of Investors) Rules, 2001, any money transferred by the Company to the unpaid dividend account and remaining unclaimed for a period of seven years from the date of such transfer shall be transferred by the Company to a fund called Investor Education and Protection Fund (the fund) set up by the Central Government.

Accordingly, unpaid/unclaimed dividends for the years 1997-98 to 2009-10 were transferred by the Company to the said fund on respective due dates. This would be followed by the transfer of the amounts of unpaid/unclaimed dividends every year in respect of dividends for subsequent years. Shareholders are therefore requested to verify their records and send claims, if any, for the relevant years from 2010-11 onwards, before the respective amounts become due for transfer to the fund. The details of unclaimed dividend are as under:

Year	No. of shareholders	Amount (₹)	Due date of transfer to Investor Education and Protection Fund
2011-12	24,328	6,17,210.60	21/03/2020

No dividend was declared during FY 2012-14, 2014-15, 2015-16, 2016-17 and 2017-18.

Unclaimed shares in the suspense account

In accordance with the requirement of Securities and Exchange Board of India (Listing and Disclosure Requirements) Regulations, 2015, the Company reports the following details in respect of equity shares issued but remained unclaimed lying in the suspense account in demat form:

Particulars	Number of shareholders	Number of equity shares
Aggregate number of shareholders and the outstanding shares in the Suspense account lying as on March 31, 2018	456	2,68,070
Number of shareholders who approached the Company for transfer of shares from suspense account during the year	5	2,940
Number of shareholders to whom shares were transferred from the suspense account during the year	5	2,940
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on March 31, 2019	451	2,65,130

The voting rights on the shares outstanding in the suspense accounts as on March 31, 2019 shall remain frozen till the rightful owner of such shares claims the shares.

Information on directors being appointed / re-appointed

The information regarding Directors seeking appointment/re-appointment at the ensuing Annual General Meeting is given under Annexure to the Notice convening 87th Annual General Meeting.

Means of Communication

Financial Results: The Company has published its quarterly, half-yearly and annual results in all the editions of Economic Times and Nav Bharat Times (vernacular) at Lucknow. Quarterly results were sent to the Stock Exchanges immediately after the Board approved them. The financial results and other relevant information are regularly and promptly updated on the website of the Company www.bajajhindusthan.com.

News releases, presentations, among others: Official news releases and official media releases are sent to Stock Exchanges and are displayed on its websites of the Company www.bajajhindusthan. com.

Website: The Company's website (www.bajajhindusthan.com) contain a separate dedicated section 'Investor Corner' where shareholders' information is available. The Company's Annual Report is also available in downloadable form.

Annual Report: The Annual Report containing, inter alia, Audited Financial Statements, Audited Consolidated Financial Statements, Directors' Report, Auditor's Report and other important information is circulated to members and others entitled thereto. The Management's Discussion and Analysis Report (MDAR) forms part of the Annual Report.

Chairman's Communique: The Chairman's Letter forms part of the Annual Report.

Reminder to Investors: Reminders for unclaimed and unpaid dividend are sent to shareholders as per records every year.

NSE electronic application processing system (NEAPS)

The NEAPS is a web-based application designed by NSE for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, among others are filed electronically on NEAPS.

BSE corporate compliance & listing centre (the 'Listing Centre')

BSE's Listing Centre is a web-based application designed for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, among others are also filed electronically on the Listing Centre.

SEBI complaints redress system (SCORES)

The investor complaints are processed in a centralised web-based complaints redress system. The salient features of this system are centralised database of all complaints, online upload of Action Taken Reports (ATR) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

Share transfer

The power to approve share transfer/transmission, etc. as well as the dematerialisation / rematerialisation were delegated to certain directors/officers of the Company. All transfers pertaining to shares held in physical form as well as requests for dematerialisation/rematerialisation are processed in fortnightly cycles.

Registrar to an issue and share transfer agent

M/s. Link Intime India Private Limited, as the Registrar and Share Transfer Agents (RTA) of Bajaj Hindusthan Sugar, handle all share transfers and related processes. They provide the entire range of services to the Shareholders of the Company relating to share transfers, change of address or mandate and dividend. The electronic connectivity with both the depositories - National Securities Depository Limited and Central Depository Services (India) Limited is also handled by Link Intime India Private Limited.

Share transfer system

Share transfers received by the Company are registered within 15 days from the date of receipt in most of the cases, provided the documents are complete in all respects.

The number of shares transferred in physical category during the year ended March 31, 2019 was 11,920 as compared to 28,920 in 2017-2018.

Dematerialisation of shares and liquidity

During the year ended March 31, 2019; 58,641 shares were dematerialised as compared to 68,700 shares during 2017-18. The distribution of shares in physical and electronic modes as at March 31, 2019 and March 31, 2018 is provided in Table 17.

Table 17: Details of Shares held in physical and electronic mode

Categories	Position as at March 31, 2019		Position as at March 31, 2018		Shares Dematerialised during the year ended March 31, 2019	
	No. of Shares	% to total shareholding	No. of Shares	% to total shareholding	No. of Shares	% to total shareholding
Physical	8,67,053	0.076	9,25,694	0.082	-58,641	-0.005
Demat:						
NSDL	86,35,99,314	76.185	86,63,24,431	76.425	-27,25,117	-0.240
CDSL	26,90,93,575	23.739	26,63,09,817	23.493	27,83,758	0.245
Sub-total	1,13,26,92,889	99.924	1,13,26,34,248	99.918	58,641	0.005
Total	**1,13,35,59,942**	**100.00**	**1,13,35,59,942**	**100.00**	**-**	**-**

Listing on Stock Exchanges and Stock Codes

The Company's equity shares are listed and traded on the following Stock Exchanges:

Name	Address	Stock Code	Reuters Code
BSE Limited	1st Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001	500032	BJHN.BO
National Stock Exchange of India Limited (NSE)	Exchange Plaza, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051	BAJAJHIND	BJHN.NS

The ISIN Number of Company's Equity Shares (face value of ₹ 1/- per share) for NSDL & CDSL: INE306A01021.

Company has paid listing fees for the financial year 2018-19 to all the stock exchanges where its securities are listed.

Market price data

The details of high/low market price of the equity shares of the Company at BSE Limited and at The National Stock Exchange of India Limited (NSE) during the last accounting year of the Company are provided hereunder. (See Table 18)

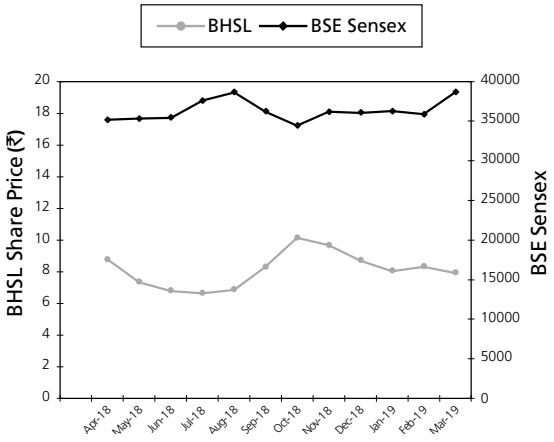
Table 18: Monthly high/low market price of equity shares of Bajaj Hindusthan Sugar Limited during the period ended March 31, 2019

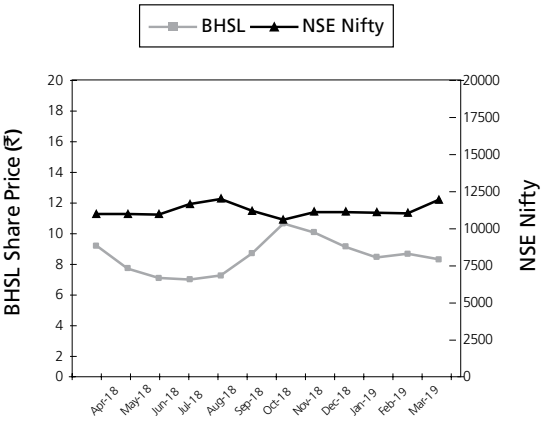
Month	Quotation at BSE (₹)			Quotation at NSE (₹)		
	HIGH	LOW	CLOSING	HIGH	LOW	CLOSING
	FV ₹ 1	FV ₹ 1	FV ₹ 1	FV ₹ 1	FV ₹ 1	FV ₹ 1
April 2018	10.29	8.31	8.76	10.30	8.25	8.75
May 2018	10.08	6.57	7.34	9.00	6.55	7.42
June 2018	8.16	6.55	6.79	8.20	6.60	6.78
July 2018	6.88	5.65	6.63	6.85	5.60	6.67
August 2018	7.29	6.45	6.87	7.35	6.40	6.90
September 2018	12.07	6.52	8.29	12.10	6.50	8.30

Month	Quotation at BSE (₹)			Quotation at NSE (₹)		
	HIGH	LOW	CLOSING	HIGH	LOW	CLOSING
	FV ₹ 1	FV ₹ 1	FV ₹ 1	FV ₹ 1	FV ₹ 1	FV ₹ 1
October 2018	12.00	7.47	10.14	11.45	7.55	10.15
November 2018	12.09	9.41	9.66	12.15	9.40	9.60
December 2018	10.14	8.62	8.70	10.15	8.50	8.70
January 2019	9.60	7.30	8.03	9.60	6.65	8.05
February 2019	9.09	6.76	8.32	9.10	6.80	8.25
March 2019	9.44	7.35	7.92	9.40	7.25	7.90

The comparable movements of Bajaj Hindusthan Sugar shares against the broad-based indices, namely BSE Sensex and NSE Nifty during the year ended March 31, 2019 is depicted in Chart A.

CHART A: Relative Performance of Bajaj Hindusthan Sugar shares versus BSE Sensex/NSE Nifty





Distribution of Shareholding

The shareholding distribution as at March 31, 2019 (See Table 19)

Table 19: Shareholding distribution as at March 31, 2019

Category	No. of shareholders	% of total holders	No. of Shares	% of Capital
Up to 500	96,157	63.37	1,68,27,412	1.49
501 to 1000	20,723	13.66	1,78,33,118	1.57
1001 to 2000	13,384	8.82	2,14,28,700	1.89
2001 to 3000	5,791	3.82	1,51,79,326	1.34
3001 to 4000	2,810	1.85	1,02,28,268	0.90
4001 to 5000	3,195	2.10	1,53,59,885	1.36
5001 to 10000	4,794	3.16	3,69,87,716	3.26
10001 and above	4,888	3.22	99,97,15,517	88.19
Total	**1,51,742**	**100.00**	**1,13,35,59,942**	**100.00**

Shareholding Pattern

Table 20 gives the shareholding pattern of the Company as at March 31, 2019

Table 20: Shareholding pattern as at March 31, 2019

Categories	March 31, 2019		March 31, 2018	
	No. of Shares	**Percentage**	No. of Shares	Percentage
Promoters	17,49,43,422	15.43	17,49,43,422	15.43
Mutual Funds	2,000	0.00	2,000	0.00
Financial Institutions/ Banks	45,68,33,426	40.30	46,99,88,189	41.46
Insurance Companies	4,31,65,896	3.81	4,31,65,896	3.81
Foreign institutional & Foreign Portfolio Corp.	4,32,45,854	3.82	4,88,01,543	4.31

Categories	March 31, 2019		March 31, 2018	
	No. of Shares	**Percentage**	No. of Shares	Percentage
NRIs & OCBs	79,46,165	0.70	59,58,936	0.52
GDRs	--	--	--	--
Others	40,74,23,179	35.94	39,06,99,956	34.47
Total	**1,13,35,59,942**	**100.00**	**1,13,35,59,942**	**100.00**

Reconciliation of share capital audit

As stipulated by Securities and Exchange Board of India, a qualified practising Company Secretary carries out the Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to stock exchanges and is also placed before the Board of Directors. No discrepancies were noticed during these audits.

Investor services

The Company under the overall supervision of Mr. Pradeep Parakh, Group President (GRC) & Company Secretary is committed to provide efficient and timely services to its shareholders. The Company has appointed M/s Link Intime India Private Limited as its Registrar and Share Transfer Agent for rendering the entire range of services to the shareholders of the Company with regard to share transfer, change of address, change of mandate, dividend, etc.

Outstanding GDRs or warrants or any convertible instrument, conversion dates and likely impact on equity

Outstanding Instruments	No. of Convertible instruments	Value in ₹	Conversion dates	Likely impact on equity shares of the Company*
Optionally Convertible Debentures	34,83,24,626	34,83,24,62,600	Final redemption/ Conversion date March 31, 2037	2,35,99,22,940

*The Company has allotted 34,83,24,626 fully paid-up Optionally Convertible Debentures (OCDs) of face value ₹ 100/- each to the lenders of the Company pursuant to the Scheme for Sustainable Structuring of Stressed Assets (S4A Scheme). For the purpose of likely impact on equity shares of the Company, it is assumed that OCDs will be converted into equity shares based on the conversion price of ₹ 14.76, being the price for issue of equity shares under S4A Scheme as per the pricing guidelines for issuance of equity shares under the RBI circular dated June 08, 2015 on Strategic Debt Restructuring Scheme read with Regulation 70(5) of Securities and Exchange Board of India (Issue of Capital and Disclosures Requirement) Regulations, 2015.

Credit Ratings

Credit Rating obtained by the Company for its bank facilities from Credit Analysis & Research Limited (CARE Ratings) are given below. There is no revision in ratings during the financial year.

Sl. No.	Facilities	Amount (₹ Crore)	Ratings
1	Long-term Bank Facilities	8,780.58	CARE D (Single D)
2	Short-term Bank Facilities	329.04	CARE D (Single D)
	Total facilities	**9,109.62**	

Nomination

Individual shareholders holding shares singly or jointly in physical form can nominate a person in whose name the shares shall be transferable in case of death of all the registered shareholder/s. The prescribed form for such nomination can be obtained from the Company. Nomination facility in respect of shares held in electronic form is also available with depository participant (DP) as per the bye-laws and business rules applicable to NSDL and CDSL.

Mandatory requirement of PAN

SEBI vide its circular dated January 07, 2010 has made it mandatory to furnish PAN Card copy in the following cases:

I. Deletion of name of deceased shareholder(s), where the shares are held in the name of two or more shareholders;

II. Transmission of shares to the legal heir(s), where deceased shareholder was the sole holder;

III. Transposition of shares – in case of change in order of names in which physical shares are held jointly in the names of two or more shareholders.

Subsidiary companies

There is no material non-listed Indian subsidiary Company requiring appointment of Independent Director of the Company on the Board of Directors of the subsidiary Company. The requirements of the SEBI (LODR) Regulations, 2015 with regard to subsidiary companies have been complied with.

Plant locations

Sugar mills

1. Golagokarannath, Lakhimpur-Kheri, District Kheri, Uttar Pradesh
2. Palia Kalan, District Lakhimpur-Kheri, Uttar Pradesh
3. Kinauni, District Meerut, Uttar Pradesh
4. Thanabhawan, District Shamli, Uttar Pradesh
5. Budhana, District Muzaffarnagar, Uttar Pradesh
6. Bilai, District Bijnor, Uttar Pradesh
7. Barkhera, District Pilibhit, Uttar Pradesh
8. Khambarkhera, District Lakhimpur-Kheri, Uttar Pradesh
9. Gangnauli, District Saharanpur, Uttar Pradesh
10 Maqsoodapur, District Shahjahanpur, Uttar Pradesh
11 Pratappur, District Deoria, Uttar Pradesh
12. Rudauli, District Basti, Uttar Pradesh
13. Utraula, District Balrampur, Uttar Pradesh
14. Kundarkhi, District Gonda, Uttar Pradesh

Co-Generation

1. Palia Kalan, District Lakhimpur-Kheri, Uttar Pradesh
2. Barkhera, District Pilibhit, Uttar Pradesh
3. Khambarkhera, District Lakhimpur-Kheri, Uttar Pradesh
4. Kinauni, District Meerut, Uttar Pradesh
5. Thanabhawan, District Shamli, Uttar Pradesh
6. Budhana, District Muzaffarnagar, Uttar Pradesh
7. Bilai, District Bijnor, Uttar Pradesh
8. Gangnauli, District Saharanpur, Uttar Pradesh
9. Maqsoodapur, District Shahjahanpur, Uttar Pradesh
10. Golagokarannath, Lakhimpur-Kheri, District Kheri, Uttar Pradesh
11. Pratappur, District Deoria, Uttar Pradesh
12. Rudauli, District Basti, Uttar Pradesh
13. Utraula, District Balrampur, Uttar Pradesh
14. Kundarkhi, District Gonda, Uttar Pradesh

Distillery

1. Golagokarannath, Lakhimpur-Kheri, District Kheri, Uttar Pradesh
2. Palia Kalan, District Lakhimpur-Kheri, Uttar Pradesh
3. Kinauni, District Meerut, Uttar Pradesh
4. Khambarkhera, District Lakhimpur-Kheri, Uttar Pradesh
5. Gangnauli, District Saharanpur, Uttar Pradesh
6. Rudauli, District Basti, Uttar Pradesh

Board division

1. Palia Kalan, District Lakhimpur-Kheri, Uttar Pradesh
2. Kundarkhi, District Gonda, Uttar Pradesh
3. Kinauni, District Meerut, Uttar Pradesh

Address for Correspondence

Investors and shareholders can correspond with:

1) The Company at the following address:
   Secretarial Department
   Bajaj Hindusthan Sugar Limited
   Bajaj Bhawan, 2nd Floor
   Jamnalal Bajaj Marg
   226, Nariman Point
   Mumbai - 400 021
   Tel. No. : +91-22-2204 9056
   Fax No. : +91-22-2204 8681
   E-mail: investor.complaints@bajajhindusthan.com
   Website: www.bajajhindusthan.com

AND/OR

2) The Registrars and Share Transfer Agent of the Company M/s. Link Intime India Private Limited at their following address:

By Post / Courier / Hand Delivery
Link Intime India Private Limited
C 101, 247 Park, L.B.S. Marg,
Vikhroli (West), Mumbai - 400 083
Tel. No. : +91-22-4918 6000
Fax No. : +91-22-4918 6060
Email: rnt.helpdesk@linkintime.co.in

Declaration

I, Kushagra Bajaj, Chairman and Managing Director of **Bajaj Hindusthan Sugar Limited,** hereby affirm and declare, to the best of my knowledge and belief, and on behalf of the Board of Directors of the Company and senior management personnel, that:

- The Board of Directors has laid down a code of conduct for all Board members and senior management of the Company;
- The code of conduct has been posted on the website of the Company;
- The code of conduct has been complied with.

For Bajaj Hindusthan Sugar Limited
Kushagra Bajaj
Chairman & Managing Director
(DIN: 00017575)

Mumbai
May 22, 2019

Certificate regarding Compliance of Conditions of Corporate Governance

To the Members,

Bajaj Hindusthan Sugar Limited

INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

1. This certificate is issued in accordance with the terms of our engagement with Bajaj Hindusthan Sugar Limited ('the Company').

2. We have examined the compliance of conditions of corporate governance by the Company, for the year ended on March 31, 2019, as stipulated in regulations 17 to 27 and clause (b) to (i) of regulation 46(2) and Para C, D and E of Schedule V of the SEBI (Listing obligation and disclosure requirements) Regulation, 2015 (the listing regulation).

MANAGEMENTS' RESPONSIBILITY

3. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation, and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in listing regulations.

AUDITORS' RESPONSIBILITY

4. Our responsibility is limited to examining the procedure and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the corporate governance. It is neither an audit nor an expression of opinion on the financial statement of the Company.

5. We have examined the books of accounts and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirement by the Company.

6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certificate of Corporate Governance issued by the Institute of Chartered Accountants of India (the ICAI), the standards on auditing specified under section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on reports or Certificates for special purposes issued by the ICAI which requires that we comply with the ethical requirement of the Code of Ethics issued by the ICAI.

7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

OPINION

8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and Para C, D and E of Schedule V of the Listing Regulation during the year ended March 31, 2019.

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

For CHATURVEDI & SHAH LLP
Chartered Accountants
(Firm Registration No.: 101720W/W100355)

Lalit R. Mhalsekar
Partner
Membership No. 103418

Mumbai
May 22, 2019

Management Discussion and Analysis

I. Global Scenario

After 2 consistent years of deficit Sugar Production during the year 2015-16 & 2016-17, next 2 years 2017-18 & 2018-19 turned out to be surplus years thereby adversely affecting the Sugar Prices.

The graph of ICE 11 (Raw Sugar) and LIFFE (White Sugar) prices illustrating the price fall since the Year 2016 on account of excess sugar in system is given below:-

Chart 1: ICE 11 (Raw Sugar) - Daily Settlement Price

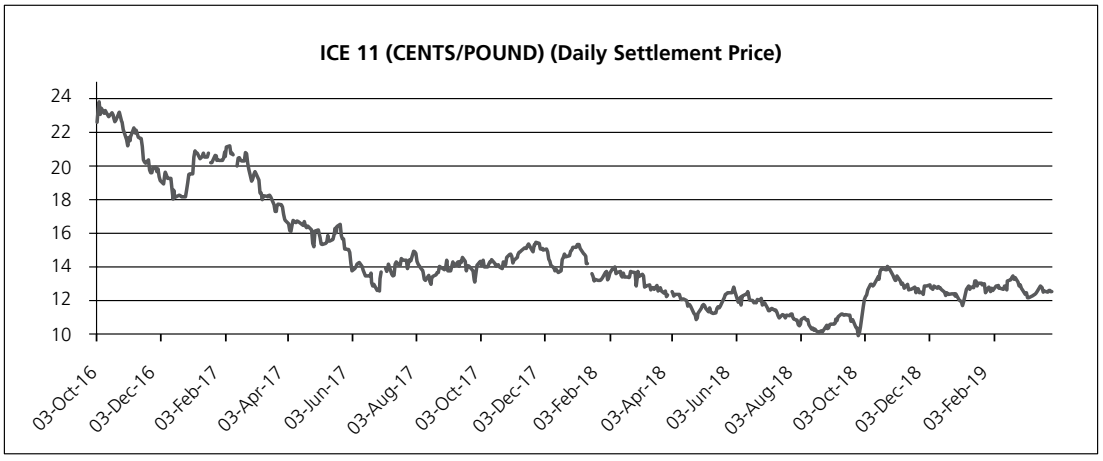
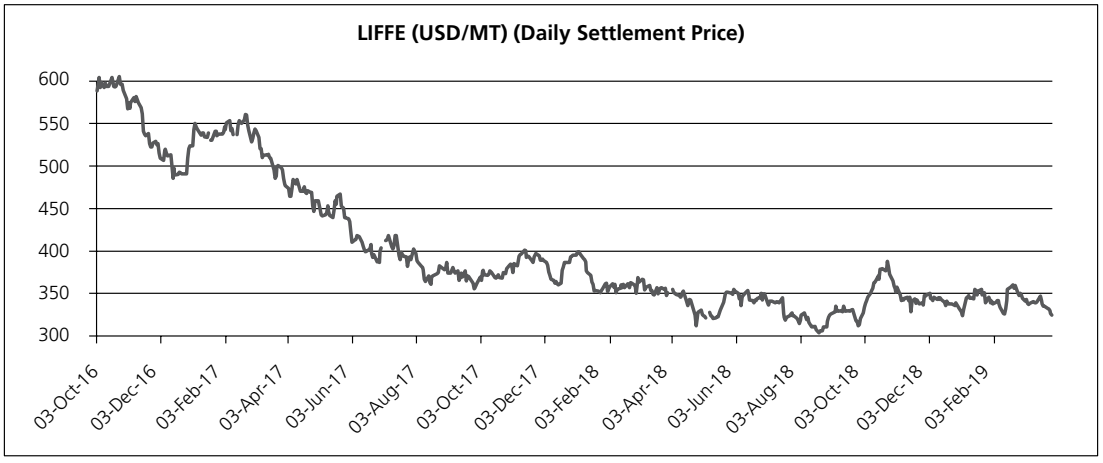


Chart 2: LIFFE (White Sugar) - Daily Settlement Price



From the above price graph of 3 years, it can be observed that Sugar prices has come down quite significantly where ICE 11 price has come by 47% from the level of 23.8 cents / pound to the level of 12.5 cents by end of March.

Similarly, LIFFE (White Sugar) price has come down by 46% from the level of 600 USD/ MT to the level of 325 USD/MT by end of March.

Global Sugar surplus during the Years 2017-2018 & 2018-2019 has mainly been on account of increased contribution from Northern Hemisphere countries including India.

Due to drop in Sugar prices as illustrated in above graphs, Ethanol has become more viable as compared to Sugar and Cane diversion towards Sugar has come down quite significantly in Brazil.

During the crush year 2018-2019, Cane diversion in Brazil CS has come down to the level of 35.2% from the level of 46.46% last year (2017-2018).

Due to such reduced diversion of cane towards Sugar and also lower cane crush, Sugar Production in Brazil CS has come down by 9.56 Million MT during the year 2018-2019.

In spite of Brazil Sugar production coming down during the Year 2018-2019, Global Sugar Production is in surplus for which Indian crop has played a major role.

During the year 2017-2018, India has emerged as the largest Sugar producer across the globe producing 32.5 Million MT and surpassing Brazil (both Centre South and North East) producing 29.04 Million MT. Before 2017-18, Brazil has consistently been the largest producer of Sugar in the world. India is poised to repeat the status of the largest producer of Sugar globally during the Year 2018-2019 as well as surpassing Brazil crop.

It has been observed that over the years, India plays a big swing factor in Global balance sheet and Global surplus / deficit coincides with Indian surplus / deficit.

Indian Sugar Production is quite volatile and any increase in Indian Sugar Production gives surplus sugar to Global balance sheet and any dip in Indian Sugar Production turns Global Sugar Production in deficit.

Following table will clearly reflect the coinciding of Global surplus / deficit with Indian Sugar surplus / deficit

Table 1: Global & Indian Scenario

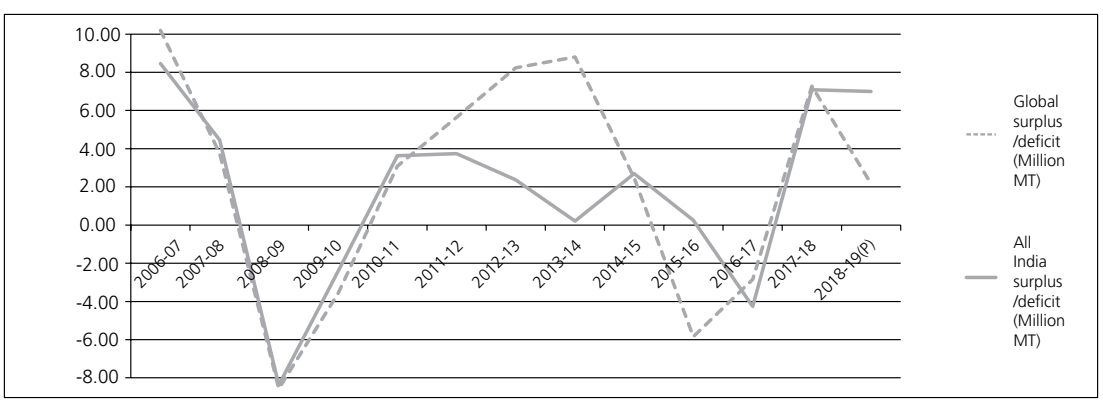
Unit: Million MT

Year	Global			All India		
	Production	Consumption	Surplus / Deficit	Production	Consumption	Surplus / Deficit
2006-07	153.46	143.26	10.20	28.36	19.90	8.46
2007-08	154.53	150.78	3.75	26.36	21.90	4.46
2008-09	142.96	151.52	-8.56	14.54	22.91	-8.37
2009-10	148.39	151.96	-3.57	18.91	21.33	-2.42
2010-11	156.18	153.10	3.08	24.39	20.77	3.63
2011-12	163.60	157.96	5.64	26.34	22.60	3.74
2012-13	171.80	163.57	8.23	25.14	22.77	2.37
2013-14	174.15	165.34	8.80	24.40	24.19	0.20
2014-15	169.39	166.92	2.47	28.31	25.62	2.70
2015-16	164.14	169.99	-5.85	25.10	24.85	0.25
2016-17	169.59	172.44	-2.85	20.30	24.56	-4.26
2017-18	182.70	175.42	7.28	32.48	25.39	7.09
2018-19 (P)	180.49	178.32	2.17	33.00	26.00	7.00

Source : ISMA

Graphical illustration of coinciding of Global surplus / deficit with Indian one as below :-

Chart 3: Global Sugar vis-à-vis Indian Sugar Position



Global Balance Sheet

Table 2: Global Position

Unit : 000 Metric tonnes, raw value

Year	Production	Import	Consumption	Export	End Stocks
2006-07	153458	49329	143263	49342	70989
2007-08	154529	47246	150775	47242	78044
2008-09	142961	48395	151520	48390	69490
2009-10	148391	53993	151960	53997	65917
2010-11	156177	53870	153096	53865	69013
2011-12	163597	54325	157962	54321	74652
2012-13	171084	60655	163572	60579	82960
2013-14	174146	58361	165344	57917	92206
2014-15	169393	58278	166920	58257	94700
2015-16	164141	66228	169989	66283	88797
2016-17	169594	65324	172441	65317	85957
2017-18 (P)	182703	58694	175423	59686	92245
2018-19 (P)	180488	59356	178316	60410	93363

Source : ISMA

Table 3: Major sugar producing countries during last three years

Unit : 000 Metric tonnes, raw value

Sr.No.	Name of Country	2015-16	2016-17	2017-18
1	Brazil	38643	39424	33250
2	India	25130	20290	32480
3	China	8837	10062	10310
4	Thailand	9755	10037	14420
5	U.S.A.	7597	7545	7755
6	Mexico	6119	5957	6007
7	Pakistan	5115	7062	6800
8	Australia	4449	4962	4800
9	Germany	3015	3590	4715
10	France	3950	4375	5250
11	Russia	5158	6427	6458
12	Indonesia	2275	2142	2250
13	Philippines	2208	2491	2145
14	Argentina	1989	2043	2050
15	Colombia	2155	2142	2200
16	South Africa	1541	1595	1995
17	Guatemala	2823	2376	2745
18	Poland	1464	2195	2335
19	Turkey	2040	2625	2700
20	Ukraine	1617	1931	2100
21	Egypt	2300	2405	2700
22	Cuba	1630	1796	1025
23	Peru	1125	1096	1195
24	Vietnam	1270	1230	1600
25	Iran	1540	1680	1800

Source : ISMA

Sugar Price

The Graphical movement of International Sugar Prices during April 2018 – March 2019 are as under:-

Chart 4: Raw Sugar Settlement Price during 2018-2019

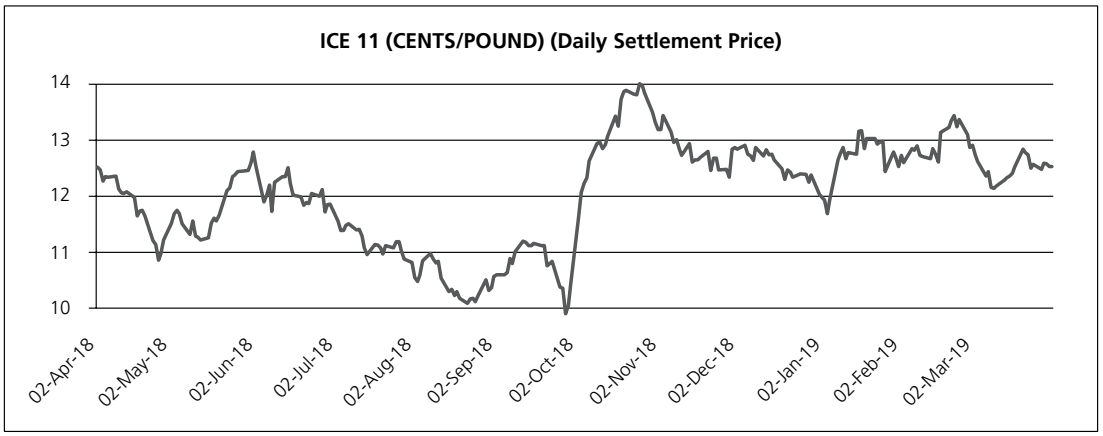
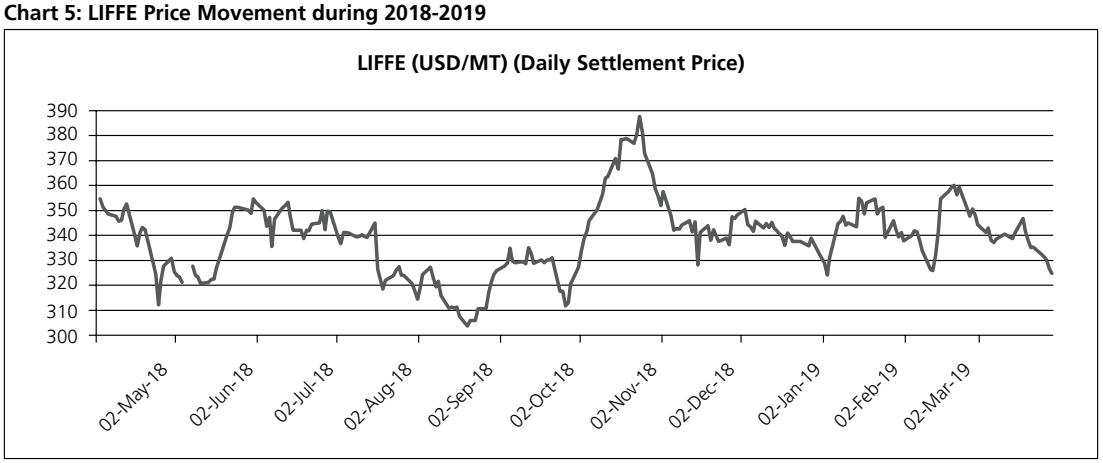


Chart 5: LIFFE Price Movement during 2018-2019



The above prices are front month daily settlement prices of ICE 11 & LIFFE exchange prices.

From above price graph for the period April 2018 – March 2019, it can be observed that ICE 11 (Raw Sugar) price has been hovering around 12 cents level with a brief stint at 10 cents and 14 cents / pound level.

During April – Oct 2018, ICE 11 prices has moved mainly between 11 – 12 cents and thereafter remained between 12 – 13 cents till March 2019.

Similarly, LIFFE (White Sugar) prices has hovered around the level of 340 USD/MT except a brief stint at 310 USD/MT level and then 390 USD/MT.

During the period April 2018 – March 2019, White Sugar premium (Margin over Raw Sugar for White Sugar) has come down quite steeply from the level of 80 USD/MT to the level of 50 USD/MT.

Influence factors during the Year 2018-2019

India :

India being the largest Sugar producer during the Year 2017-2018 and estimated to repeat status of the largest producer during 2018-2019 and also the largest consumer of Sugar, plays a major role in shaping the World Prices. India Sugar Production during 2017-2018 has been record high at level of 32.5 Million MT and Year 2018-2019 is turning out to be a bigger Year where Sugar Production is pegged at level of 33.0 Million MT.

During 2018-2019 (Oct – Sept), Sugar Exports from the country are expected at the level of 3.5 Million MT. Looking into big carryover of Sugar for next Year 2019-2020, it is estimated that Sugar Exports will continue next year as well.

Preliminary estimates suggest that during the Year 2019-2020, Sugar Production will come down from 2018-2019 estimated level of 33.0 Million MT to the level of 28 – 29 Million MT and this dip is primarily on account of drop in states of Maharashtra and Karnataka.

Brazil CS :

Table 4: Cane Crush / Sugar Production / Ethanol Production – Brazil CS

Particulars	Unit	2015-2016	2016-2017	2017-2018	2018-2019
		Actual	Actual	Actual	Actual
Total Cane Crush	Million MT	617.71	607.14	596.31	573.07
Sugar Production	Million MT	31.22	35.63	36.06	26.50
Ethanol Production	Billion Litres	28.23	25.65	26.09	30.95
Diversion of Cane					
Used for Sugar	%	40.65	46.29	46.46	35.20
Used for Ethanol	%	59.35	53.71	53.54	64.80
TRS		130.50	133.03	136.60	137.87

Source : UNICA

Brazil CS report card for the Year 2018-2019 is unique in many ways as under:-

- Year 2018-2019 saw record Ethanol Production to level of 30.95 billion litres which is 18.6% higher than production last year and 9.6% higher than last record Ethanol Production of 28.23 billion litres during 2015-16.
- Due to dismal Sugar Prices and better Ethanol prices, cane diversion towards Sugar has come down to the level of 35.2% from last year level of 46.46%.
- Sugar Production during 2018-19 is down to the level of 26.50 Million MT which is down by 9.56 Million MT i.e. 26.5% as compared to last year.
- This year has witnessed very good TRS level at 137.87 which is highest since the Year 2010-11.
- Agricultural productivity of Cane crops in the Brazil Centre-South reached 73.34 tonnes per hectare in 2018-19, down 3.31% from 75.85 tonnes in 2017-18, according to data by the Cane Technology Centre (CTC).
- There is increasing trend of Ethanol Production from Corn in Brazil and during 2018-19, Corn Ethanol production increased by 50% to the level of 0.791 billion litres.

So, Brazilian season 2018-2019 has been a balancing factor where Sugar production corrected itself and averted increase in surplus due to weak Sugar prices.

Thailand:

During 2018-19, the Sugar crop is estimated to turn lower by about 10% to the level of 13.0 Million MT due to weak monsoon, as compared to an all-time high of 2017-18 sugar production at level of 14.4 Million MT. Due to depressed Sugar prices, Cane price has turned lower significantly and with such a price decrease, alternate crops like cassava offers a better revenue and their area will grow at the expense of Cane. So during 2019-20, Thai Sugar Production is estimated to further decline to the level of 12.0 Million MT.

Due to higher production, slow demand and weak price, Industry is also contemplating to shift Cane for Ethanol manufacturing. As per Industry sources, there is also a potential to shift excess sugar to produce PLA (Poly Lactic Acid) and Polyactide Plastic (a bio-degradable plastic alternative to plastic derived from crude) and functional food and enzymes.

EU:

EU Sugar Production during 2019-2020 is expected to be more or less same as that of the Year 2018-2019 at the level of 18 Million MT with only the exception of weather in coming six months affecting beet plantation.

II. Indian Scenario

Indian Sugar Production has historically been cyclical in nature with 3-4 years of bumper crop usually followed by 2 years of shortfall. The shortage years helped restore Mills' health by liquidating excess stocks and lifting market prices for Sugar thereby benefiting farmers. However, this cyclical pattern has been broken lately, with Sugar production outpacing consumption since the Year 2010-11 till current Year except the Year 2016-17 when Sugar production dipped to the level of just 20.3 Million MT mainly due to drought conditions.

Sugar Years 2017-2018 and 2018-2019 have witnessed record Sugar production much higher than the consumption leading to excess supply in market / high stocks of Sugar.

During the Sugar Year 2017-2018 (Oct – Sept), All India Sugar Production achieved historically high number of 32.48 Million MT which has never been achieved in the past. With this kind of Production figure, India became the largest producer of

Sugar in the world surpassing Brazil which earlier has always been the largest Sugar producer on consistent basis. Increasing pace of Sugar Production did not stop in 2017-2018 and Sugar Year 2018-2019 is again poised for a bumper Sugar crop estimated at the level of 33.0 Million MT which is even higher than production in Sugar Year 2017-2018.

The All India Sugar Production pattern since 1980 represented below by means of a graph:-

Chart 6: Sugar Production pattern since 1980

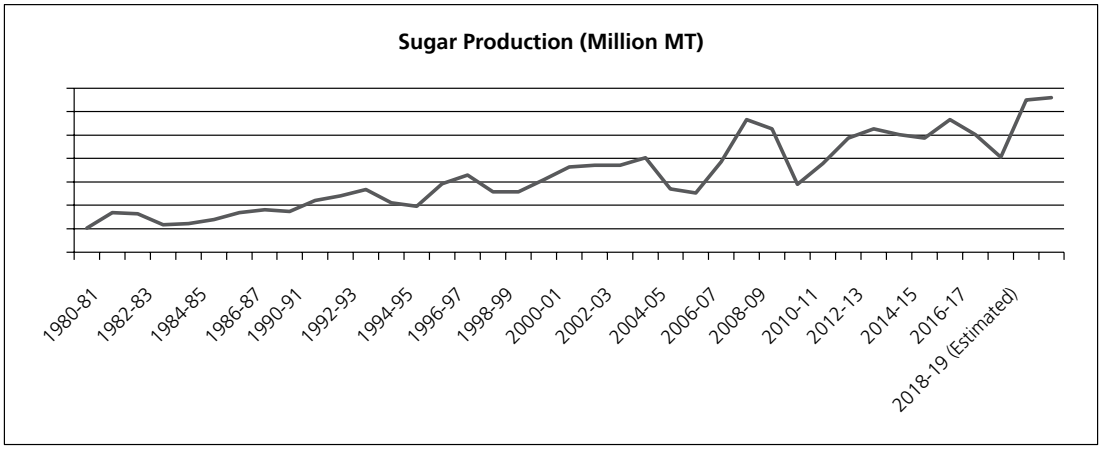


Table 5: State-wise Sugar Production on All India basis since the Year 2013-14 given below in Table

Unit : Million MT

Sr.No.	STATE	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19 (Estimated)
1	Uttar Pradesh	6.5	7.1	6.8	8.8	12.0	12.0
2	Maharashtra	7.7	10.5	8.4	4.2	10.7	10.7
3	Karnataka	4.2	4.9	4.0	2.2	3.8	4.5
4	Gujarat	1.2	1.2	1.2	0.9	1.1	1.0
5	Andhra Pradesh	0.7	0.6	0.6	0.4	0.5	0.5
6	Punjab	0.5	0.5	0.7	0.7	0.8	0.7
7	Haryana	0.5	0.6	0.5	0.7	0.8	0.7
8	Bihar	0.6	0.5	0.5	0.5	0.7	0.7
9	Tamil Nadu	1.5	1.3	1.4	1.1	0.7	0.9
10	Madhya Pradesh	0.4	0.5	0.4	0.4	0.6	0.6
11	Uttarakhand	0.3	0.3	0.3	0.3	0.4	0.4
12	Rajasthan	0.0	0.0	0.0	0.0	0.0	0.0
13	Telangana	0.3	0.3	0.3	0.1	0.3	0.3
14	Others	0.1	0.0	0.0	0.0	0.0	0.0
	Total	**24.4**	**28.3**	**25.1**	**20.3**	**32.5**	**33.0**

From above table, it can be seen that earlier, Maharashtra State used to take the lead in terms of highest Sugar Production but last 3 years U.P. State has taken the lead and has emerged as the consistent largest producer of Sugar in the country due to better yields and improved Sugar recovery. U.P. Sugar Production which earlier used to be in the range of 6 - 7 Million MT has started producing Sugar to the level of 12.0 Million MT and that too consistently for second year in a row now.

It can be observed that Sugar Production in the State of Maharashtra has been quite volatile where Sugar production figure of 10.5 Million MT during the Year 2014-2015 dipped to the low of 4.2 Million MT during 2016-17 and again bounced back to 10.7 Million MT very next year i.e. 2017-2018.

In the State of Tamil Nadu, Sugar production has come down quite significantly in the last 3 years mainly due to drought conditions. Though during the Year 2018-2019 Sugar production is recovering to levels of 0.9 Million MT but it is still quite dismal to Production level as compared to normal production levels of 1.5 Million MT 5 years back. 3 states i.e. U.P., Maharashtra and Karnataka have improved a lot on Production front and forms almost 80% of Sugar production on All India basis. The improved Production levels are on account of improved yields in number of states and improved Sugar recovery mainly in state of U.P.

The details of yields and recovery of various states from where it can be seen that how the productivity in terms of yield and recovery has improved:-

Table 6: Statewise Yield of Sugarcane

(MT/hectare)

State	2013-14	2014-15	2015-16	2016-17	2017-18
Maharashtra	80	93	76	60	108
U.P.	53	55	53	62	77
Karnataka	88	94	78	60	94.5
Gujarat	71	71	75	60	72
Tamil Nadu	90	88	98	81	60
Andhra Pradesh & Telangana	72	66	66	51	65
Punjab	66	67	74	74	84
Haryana	69	69	65	71	83
Bihar	50	50	50	50	62
M.P. & Chhattisgarh	57	60	51	54	71
Uttarakhand	54	53	51	57	65
Odisha	50	50	50	38	40

From above, it can be observed that Yield of all states across the country has significantly increased during the Year 2017-2018 (except Tamil Nadu where it has dropped).

Table 7: Statewise Recovery of Sugar in % of Cane

State	2013-14	2014-15	2015-16	2016-17	2017-18
Maharashtra	11.4	11.29	11.33	11.25	11.24
U.P.	9.26	9.54	10.61	10.61	10.84
Karnataka	10.95	11.06	10.74	10.19	10.6
Gujarat	11.09	10.34	10.38	10.58	10.55
Tamil Nadu & Puducherry	8.95	8.67	8.74	8.92	8.64
Andhra Pradesh	9.74	9.38	9.35	9.37	9.53
Punjab	9.43	9.42	10.06	9.78	9.78
Haryana	9.44	9.94	10.52	10.34	10.39
Bihar	8.97	9.18	9.77	9.21	9.58
M.P. & Chhattisgarh	9.71	9.48	9.78	9.7	9.63
Uttarakhand	8.9	9.24	9.61	9.85	10.24

From the above table, it can be observed that Sugar recovery of U.P., Haryana & Uttarakhand has significantly improved in the last 5 years.

All India Sugar Balance Sheet

Table 8: Domestic Production and Consumption

Unit : Million MT

Particulars	2012-13 (Actual)	2013-14 (Actual)	2014-15 (Actual)	2015-16 (Actual)	2016-17 (Actual)	2017-18 (Actual)	2018-19 (Estimated)
A. Total availability - All India - Sugar Season							
a) Opening Stock as on Oct 01	6.6	9.3	7.5	9.1	7.8	3.9	10.7
b) Production during season	25.1	24.4	28.3	25.1	20.3	32.5	33.0
c) Imports	0.7	0.1	0.0	0.0	0.4	0.2	0.0
Total supply availability	**32.4**	**33.8**	**35.8**	**34.2**	**28.5**	**36.6**	**43.7**
B. Total Sugar Offtake : All India - Sugar Season							
a) Internal consumption	22.8	24.2	25.6	24.8	24.6	25.4	26.0
b) Exports	0.3	2.1	1.1	1.7	0.05	0.5	3.5
Total Offtake	**23.1**	**26.3**	**26.7**	**26.5**	**24.6**	**25.9**	**29.5**
C. Closing Stock as on Sept 30 - All India	**9.3**	**7.5**	**9.1**	**7.8**	**3.9**	**10.7**	**14.2**
D. Stock as % of Internal Consumption (%)	**40.8**	**30.9**	**35.5**	**31.3**	**15.8**	**42.2**	**54.6**

From the above table, following can be observed:-

Sugar Production is consistently higher than the consumption all these Years except the Year 2016-2017 when Sugar Production dipped to an alarming low level of 20.3 Million MT because of drought conditions.

Sugar internal consumption increasing from the level of 22.8 Million MT during 2012-2013 to an estimated level of 26.0 Million MT during 2018-2019 which means consumption growth of 2.2% CGAR. Due to consistent high Sugar Production, there has hardly been any import of Sugar in the last 6 years except small quantity of 0.7 Million MT during 2012-13. Export of Sugar has been continuing on consistent basis and it is estimated that during current Year 2018-2019 Sugar export will be to the tune of 3.5 Million MT.

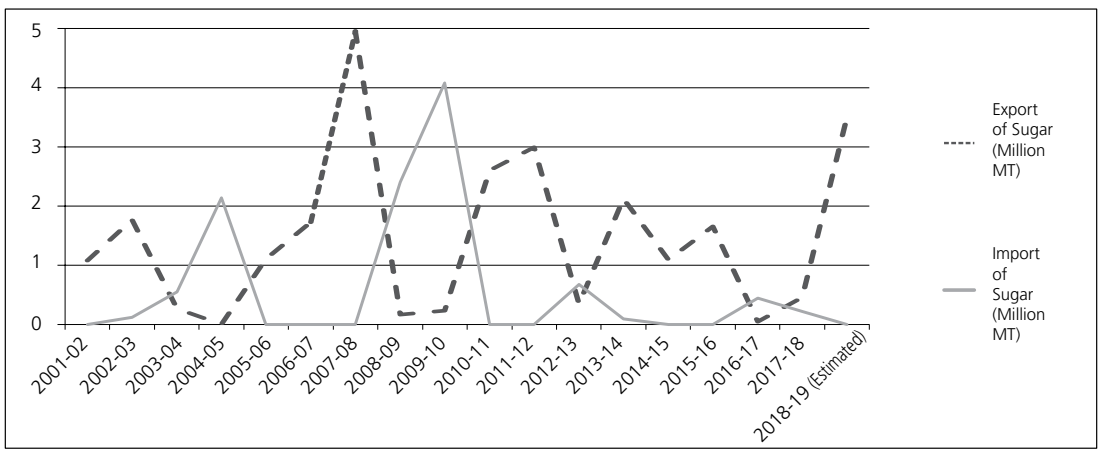
Sugar closing stocks increasing from the level of 3.9 Million MT during the Year 2016-2017 to the estimated level of 14.2 Million MT during the Year 2018-2019. Estimated stocks of 14.2 Million MT at the end of Year 2018-2019 is 55% of Internal consumption means sufficient to take care of almost 7 months of consumption.

So, year-after-year Sugar surplus is increasing and excess Sugar in the system is becoming a problem for the Industry and also farmers.

Pattern of All India Sugar Exports / Imports

The pattern of All India Sugar Exports & Imports in graphical pattern since the Year 2001-02 is illustrated below:

Chart 7: All India Sugar Exports / Imports



Till the Year 2010-2011, Sugar production was cyclical in nature and this cyclicality in Sugar Production led to cyclicality of Sugar Exports & Imports. During the years of surplus, country exported Sugar and during the years of deficit, country imported Sugar and thus it became a big swing factor for Global Sugar demand-supply balance sheet as well.

From the above graph, it can be seen that till the Year 2010-2011, Sugar import and export has been cyclical means after every 2-3 years, either country is exporting Sugar or importing Sugar in a big way.

However, from the year 2010-2011 onwards due to consistent higher Sugar Production much more than the demand, country had been exporting Sugar on regular basis with very little imports in between.

Policy initiatives by the Government

The major challenge with the Government is to solve the problem of excess Sugar supply in market due to consistent high record Sugar production during the Years 2017-2018 and 2018-2019.

During 2017-2018, Sugar stock had been 42.2% of domestic consumption which by the end of Sugar Year 2018-2019 are expected to rise to 54.6% of domestic consumption which means stocks to take care of almost 7 months of domestic consumption.

Ideally, problem of surplus would have been resolved on its own through demand-supply fundamental dynamics, had there been total decontrol of Sugar sector including Cane price or recommendations of Rangarajan Committee linking cane price with Sugar implemented.

But there is fixed remunerative Cane price being paid to farmers which is not linked with Sugar price, so heat of excess Sugar supply and falling Sugar prices is not going to farmers.

Due to fixed remunerative Cane price which currently is significantly better than alternate crops, Farming community is inclined more towards cane resulting into increased acreage and excess supply.

Quite lately, thanks to better cane variety resulting into improved yields across the country and recovery more particularly in state of U.P., Sugar production is taking leaps and bounds across the country.

On one hand, Government's task is to solve the problem of Sugar surplus, on the other hand the challenge is to provide the much-needed liquidity and viable Sugar prices to Industry to enable pay for Cane dues, for which Government took following policy measure's :-

A) MSP (Minimum Selling Price of Sugar)

Due to high Sugar production resulting into excess Sugar supply in market, Sugar prices across the country started coming down and had come down below the cost of Production. To arrest falling Sugar prices, Government fixed Minimum uniform selling price of Sugar at Mill level, across the country as under:-

- On June 6, 2018, Government approved fixing of Minimum Price of ₹ 29.0 per Kg for Sugar below which no Sugar Mill can sell in domestic market.
- On February 14, 2019, Government increased MSP of Sugar from the level of ₹ 29 per Kg to ₹ 31 per Kg.

Industry Associations are advocating for higher MSP to the level of ₹ 35 – 36 per Kg which is under Government consideration.

B) Controlling Sugar Supply in market (Reverse stock limit on Sugar Mills / Monthly Quota)

On one hand Government fixed Minimum Selling Price of Sugar, on the other hand Government imposed Reverse stock limit on Sugar Mills to control supply of Sugar in market, so that Sugar Mills are able to realise MSP / viable prices.

Sugar Year 2017-2018

Government imposed Stock limit (Reverse) on Sugar Mills for the month of February 2018 and March 2018, with details of the limit as under:-

- **February 2018 :** At the end of February 2018, Mills will be required to keep minimum stock as below :-

  83% of the closing stock on the last day of January 2018 month + Sugar produced during February 2018 month - Sugar Exported during February 2018 month.

  (It means that during February 2018 month, Mills can sell only 17% of the closing stock as on January 2018 month).

- **March 2018 :** At the end of March 2018, Mills will be required to keep minimum stock as below:-

  86% of the closing stock on the last day of February 2018 month + Sugar produced during March 2018 month - Sugar Exported during March 2018 month.

  (It means that during March 2018 month, Mills can sell only 14% of the closing stock as on February 2018 month).

  Stock limit on Traders: During the Sugar Year 2017-2018, Government removed Stock limit which earlier was imposed on Sugar Traders to restrict illegal stocking of Sugar at their end.

  Removal of such stock limit on Traders enabled them for Free trade of sugar with no restriction of quantity which a trader can buy and store at any point of time.

Sugar Year 2018-2019

On June 7, 2018, Government re-imposed reverse Stock limit on Sugar Mills stating that all producers of Sugar by vacuum pan process shall hold such quantity of Sugar (white or refined) at the end of each month as may be specified by the Central Government for each month.

To arrive at the figure of stocks which Sugar Mills were required to carry at the end of each month, Sugar Mills were given Monthly Sales Quota above which Sugar Mills cannot sell in domestic market.

The purpose of above order was to restrict supply of Sugar in market which was in excess due to consistent surplus production and thus to support the Prices.

C) Promoting Sugar Exports

Sugar Year 2017-2018

During March 2018, Government scrapped Export duty of 20% on Sugar to promote Sugar exports.

Further during March 2018, Government gave mandatory Export quotas to Sugar Mills totalling 2.0 Million MT on All India basis. As per the Order, Indian Sugar Mills were required to export a quantity of 2.0 Million MT by September 30, 2018.

Sugar Mills can get the Sugar exported against their Quota from other Sugar Mills (like in coastal region) to save on freight through Merchant exporters.

To boost exports, Government allowed Production subsidy of ₹ 5.5 per Qtl of cane crushed, eligibility criteria of which was that Sugar Mills should have complied all orders / directives of Department of Food & Public Distribution during the Year 2017-2018. This included Government order of Reverse Stock limit and fulfilling mandatory export quotas. Further, Sugar Mills supplying Ethanol should have also supplied 80% of the Order placed so as to be eligible for availing the said Production subsidy.

Sugar Year 2018-2019

On September 28, 2018, Government announced Mandatory Export Quota of 5.0 Million MT on All India basis to be exported during October 2018 – September 2019. The mandatory export quota of 5.0 Million MT was split amongst all Sugar Mills in the country basis Sugar Production of last 3 years.

On September 26, 2018, to boost Sugar Exports and for the purpose of offsetting cost of cane, Government announced the following financial assistance:-

- Government announced to pay defraying expenses towards Internal transport, freight, handling, etc. to Sugar Mills on Export of Sugar as under:-
  - ₹ 1.0 per Kg for Sugar mills within 100 kms from Port
  - ₹ 2.5 per Kg for Sugar mills beyond 100 kms from port in coastal states
  - ₹ 3.0 per Kg for Sugar Mills in non-coastal states
- Financial assistance of ₹ 13.88 per Qtl. of cane on cane crushed during the Sugar Year 2018-2019 subject to Sugar Mills complying with all the directives of Department of Food including exports quota and monthly release. The incidence of this financial assistance shall work out to approx. ₹ 8.3 per kg on Sugar exported.
- To facilitate and motivate Sugar exports, Department also decided to give additional Sale quota in domestic market to the ones exporting Sugar and reduce the domestic quota of the Sugar Mills not exporting Sugar.

D) Discouraging Sugar Imports

During July 2017, Government increased import duty on Sugar from existing rate of 40% to 50%.

During February 2018, Government increased import duty on Sugar from 50% to 100% to completely rule out any import of Sugar as there was fear of imports from Pakistan and country don't need any Sugar imports.

There has hardly been any import of Sugar in the last 2 Sugar Years i.e. 2017-2018 and 2018-2019 and no possibility in near future because of high import duty and rightfully also as country don't need import of Sugar in current period of surplus.

E) Soft loans / subsidy to Sugar sectors

To improve liquidity and enable Sugar Mills pay their dues, Soft loans / subsidies announced by both the Central and State Government are as under:-

- During March 2019 month, CCEA had approved soft loan to the extent of about ₹ 7,900 - 10,540 crore to Sugar Mills to enable them to pay their cane dues.

  Government will bear the interest subvention @ 7 - 10% to the extent of ₹ 553 crore to ₹ 1,054 crore for one year.

  The said soft loan will be provided to only those units which have already cleared at least 25 percent of their outstanding cane dues in the Sugar season 2018-19.
- UP State Government allowed soft loans to the tune of ₹ 4,000 crore to Sugar Mills in U.P. state for a period of 5 years at an interest cost of 5% p.a.
- UP State Government allowed Cane price subsidy @ ₹ 4.5 per Qtl. of total cane crushed during the Sugar Year 2017-2018, total incidence of which works out to approx. ₹ 500 crore for UP state as a whole.

F) Buffer Stock / subsidy

Since, Industry has been struggling with the problem of high stocks and excess Sugar supply in market, Government decided to create buffer stock and give buffer subsidy which on one hand will provide liquidity to Sugar Mills in terms of subsidy, on the other hand will reduce supply of Sugar in market to the extent of buffer stock, with details as under:-

- During the month of June 2018, Government notified the scheme for creation and maintenance of buffer stock of 30 Lakh MT of Sugar by Sugar Mills for a period of one year starting from July 2018.
- Government allowed buffer subsidy of 13.5% per annum with breakup as under:-
  - Interest of max. 12% per annum or actual as charged by the bank whichever is less on advance given to the Sugar Mill against the buffer stock or on value of stock.
  - Insurance including storage charges at flat 1.5% per annum on the value of stock.
  - The value of stock shall be calculated basis price of ₹ 29 per Kg of Sugar.
  - The buffer subsidy will be used for payment of Cane arrears only and will be credited directly in No lien accounts to be opened by Sugar mills for the said purpose.

G) Rationale in fixing Cane Price

Government showed rationale in fixing Cane price looking into the excess Sugar supply / depressed Sugar prices.

For the Sugar Year 2018-2019, U.P. State Government continued with the same level of SAP (State Advised Price) with no increase.

For the Sugar Year 2018-2019, Central Government increased FRP from the level of ₹ 255 per Qtl. of Cane with 9.5% Sugar recovery to ₹ 275 per Qtl. of Cane with 10.0% Sugar recovery. So, 2018-2019 FRP for 9.5% Sugar recovery Cane works out to ₹ 261.25 per Qtl. which means increase of 2.4% as against last year.

H) Ethanol-Pricing / Feedstocks

Government is continuing to aggressively promote Ethanol as a fuel as it is non-fossil biofuel, a big curb on vehicular pollution and also saves foreign exchange required for import of crude oil as country is net importer of crude.

Further, due to surplus Sugar Production, Government is targeting Ethanol as alternate of Sugar which can be made from Cane like in Brazil which on one hand will provide adequate supply of Ethanol under Government's ambitious bio-fuel policy, on the other hand will be used to regulate Sugar Production and thus take care of excess Sugar in system.

During the Year 2017-2018 (Dec – Nov), Government increased Ethanol Basic Price from C Molasses from earlier level of ₹ 39.0 per Litre to ₹ 40.85 per Litre for supplies.

Further during Year 2018-2019 (Dec – Nov), Government increased the price of Ethanol manufactured from C Molasses from last level of ₹ 40.85 per Litre to ₹ 43.46 per Litre which means increase by almost 6.4% from last price level.

Earlier, Ethanol manufacturing and supplies were allowed from C Molasses only. But in order to boost supplies of ethanol and also to regulate Sugar production, Government decided for diversion of cane / sucrose from Sugar to Ethanol. Government decided to allow production and supply of ethanol from B Heavy Molasses and from Cane juice which on one hand will increase feedstock availability for Ethanol, on the other hand will reduce Sugar production.

Government allowed higher basic price of Ethanol from B heavy and cane juice (as compared to C Molasses Ethanol) at the level of ₹ 52.43 per Litre and ₹ 59.19 per Litre respectively.

In order to boost Ethanol supplies from B heavy Molasses and Cane Juice, Government prioritised Ethanol made from Cane Juice and B heavy Molasses over C Molasses Ethanol.

For any Oil company depot at the time of allotting order, first priority is for Cane Juice Ethanol, followed by B heavy Molasses Ethanol, then C Molasses and ultimately damaged Grain Ethanol. Government also allowed manufacturing and supply of Ethanol from damaged Grains which was not there earlier and allowed basic price of ₹ 47.13 per Litre which is higher than the price from C Molasses Ethanol at level of ₹ 43.46 per Litre.

All taxes and duties as applicable and freight as per Oil companies norms shall be paid extra. Government is continuing with the policy of restriction on Imported alcohol for blending purpose.

In order to boost Ethanol supplies from alternate feedstocks, Government is also pushing 2G Ethanol which will be manufactured from cellulosic waste. Public Sector Oil companies are in the process of setting up their own 2G Ethanol plants for generation of Ethanol for their requirement of blending with Petrol.

On July 21, 2018, Government reduced GST on Ethanol from earlier level of 18% to 5% in order to boost Ethanol sector.

I) Soft Loans for Ethanol

In June 2018, Government had sanctioned soft loan to the tune of ₹ 6,139 crore to Sugar Mills for Ethanol capacity on which interest subvention amount is ₹ 1,332 crore.

In March 2019, CCEA cleared soft loans of ₹ 15,500 crore to Sugar Mills / standalone Distilleries for setting up new Distilleries, setting up Incineration boiler, augmentation of existing capacity. The interest subvention amount on above soft loan for a period of 5 years with one year moratorium period is ₹ 3,355 crore. Out of this figure of ₹ 15,500 crore, ₹ 12,900 crore is for Sugar Mills and ₹ 2,600 crore is for standalone Distilleries without attached Sugar units.

The above soft loan has been allowed for the purpose of:

a) Improving liquidity of sugar mills by way of revenue from Ethanol
b) Achieve 10% blending target of EBP
c) Reduce sugar inventory by usage of B heavy / cane juice for ethanol manufacturing

J) IDR Act / State Excise Fees & Procedures on Ethanol

During May 2016, there had been an amendment in IDR Act, 1951 as per which State Government can control, levy taxes / duties on liquor meant for human consumption only.

Denatured Alcohol, Industrial Alcohol not meant for human consumption will be controlled / legislated only by Central Government. It means Ethanol and denatured spirit should come out of the purview of State Govt. with no power left to regulate or impose any fees / taxes / duties on Ethanol. With active efforts of the Government, Oil Marketing companies and Industry Associations from the Year 2017-2018, number of states started scrapping State Excise fees on Ethanol and relaxing their control on distribution, storage of Ethanol.

Karnataka has been the first state to surrender their control on Denatured Ethanol and free it from State Excise Fees and permissions. Other states having followed Karnataka are the states of Gujarat, Chhattisgarh, Punjab, Haryana, Goa, Maharashtra and U.P. In the state of Delhi, Industry is seeking relief on the State Excise Fees through legal means available.

Industry is taking up the matter with various State Governments to give up control on denatured Ethanol and other spirits in line with the IDR amendment / new GST rules and reasonably good progress is continuing on the subject.

III. Bajaj Hindusthan Sugar's (BHSL) Position

BHSL has 14 sugar plants having an aggregate crushing capacity of 136000 TCD, 6 distilleries with aggregate capacity of 800 KL/day and about 151 MW of surplus power.

Key risks and concerns

1. Raw material

BHSL has continued its thrust on cane quality promotion and is continually investing in cane variety development. Since last 4 years during the period since 2015-2016 (Oct – Sept), the results of continued investment in Cane development are visible in the form of increased availability of better variety of cane and better Sugar recovery.

Group's average Sugar recovery during the last 4 Sugar Seasons has considerably improved with results as under :-

Sugar Season (Oct – Sept)

2014-2015 :	09.41%
2015-2016 :	10.37%
2016-2017 :	10.26%
2017-2018 :	10.72%
2018-2019 :	11.50% (Estimated)

In above, the efforts of the Group are clearly visible towards Cane development and quality promotion and in last 5 years Sugar recovery has improved by almost 22% from the level of 9.41% to estimated level of 11.5% during current year.

It is a matter of pride for BHSL group that during the Sugar Year 2018-2019, Bilai Sugar unit of the Group achieved Sugar recovery of 14.01% which is an all-time high on date Sugar recovery amongst all units on All India basis.

BHSL sees cane development as major thrust area to improve the revenue generation and is continuously striving towards it.

The major area of concern is the ability to make timely cane price payment to farmers given the unremunerative sugar realisations in the domestic market and further exacerbated by the irrationally high cane price fixed by the state government.

2. Sugar price risk

While cane price is fixed by the state government, sugar realisations are totally market driven and are dependent on demand-supply dynamics. This has often led to complete mismatch between the cane price and sugar realisations.

During years of high production leading to excess supply, there will be risk of Sugar Price sliding down. To mitigate the said Sugar price risk, Government had fixed Minimum Selling Price (MSP) of Sugar earlier at level of ₹ 29.0 per Kg and now at level of ₹ 31.0 per Kg below which no Sugar Mill can sell Sugar in the market.

Industry is pushing hard to further increase the said MSP to the level of ₹ 35 – 36 per Kg which is under Government consideration. So, while, there is a Sugar Price risk, during surplus years when such risk becomes acute, there is Government intervention to mitigate this risk.

3. Regulatory risk

Sugar industry is subject to many regulatory risks like environment, raw material pricing, government policies, etc. The biggest risk to the business is the disjointed irrational sugarcane price fixed by the state government.

However, to ensure liquidity and financial health for Industry, both Central & State Government keeps on providing policy and subsidy support to enable Sugar Mills to pay fixed cane price as fixed by the Government.

4. De-risking strategy

As part of our business strategy, we are rapidly de-risking our business with the investment in power generation capacity. This business is non-cyclical and therefore expected to generate steady cash flows year-on-year. Further, sustained ethanol supplies to oil companies has provided some element of risk mitigation.

Table 9: Market share of BHSL in U.P. and on All India basis for Sugar basis Production

Year (Oct – Sept)

Particulars	Unit	2018-2019 (estimated)	2017-2018	2016-2017	2015-2016	2014-2015
BHSL Production	Million MT	1.83	1.82	1.33	1.05	1.15
UP Production	Million MT	12.00	12.05	8.80	6.84	7.10
All India Production	Million MT	33.00	32.48	20.30	25.13	28.31
BHSL % of UP	%	15.25	15.10	15.11	15.35	16.20
BHSL % of All India	%	5.54	5.60	6.55	4.18	4.06

Sugar market spread - All units of BHSL

Bajaj Group (Bajaj Hindusthan Sugar Limited) has 14 units evenly spread throughout the State of Uttar Pradesh with 5 sugar mills in Western UP, 5 in Central UP and 4 in Eastern UP.

The Zonewise details and the crushing capacity of the mills are as under:-

Table 10: Zonewise details of crushing capacity

Zone	No. of Mills	Crushing Capacity (TCD)
West	5	48000
Central	5	48000
East	4	40000
Total	**14**	**136000**

Markets

West U.P.: Sugar produced by our West UP mills is sold in the region of West UP and neighbouring States in Northern India like Punjab, Haryana, Rajasthan and Delhi etc.

This year due to higher Sugar production in state, Sugar is sold to North-East States also like West Bengal, Assam etc. where it is going by rail rakes.

Central U.P.: Sugar produced in our Barkhera and Maqsoodapur mills is sold partly in Central U.P. and also in nearby states i.e. Rajasthan, M.P., North-East states and at times to Haryana, Odisha. The sugar produced by Gola, Palia and Khambarkhera mills is sold in Central UP, East UP, Bihar, Bengal, Jharkhand, M.P. and North-East States.

East U.P.: Sugar produced by our Eastern UP Mills is sold in the region of Eastern UP and states like Bihar, Jharkhand, West Bengal, Assam and North-East States.

Competition

Other than the mills in state of UP, we have to face competition mainly from mills in the state of Maharashtra, Karnataka and refinery in West Bengal which currently is not in operation. For movement of sugar to neighbouring states like Punjab, Haryana, Bihar, UP mills face competition from mills in these states, as well. Sugar sales outside of UP is purely on the basis of the price parity with competing mills.

No competition from Sugar imports

Due to continued surplus sugar production and high stocks, depressed and all-time low International Sugar Prices, Govt. has imposed import duty of 100% restricting Sugar Imports and no major imports has taken place under OGL in last 3 years.

Table 11: High & Low Price (Realisation) of Sugar - BHSL

Unit : ₹/ Qtl.

Month	April 2018 – March 2019	
	High Price	Low Price
April	3252	2598
May	2895	2468
June	3415	2783
July	3458	3013
August	3368	3113
September	3312	2978
October	3420	3123
November	3320	2968
December	3191	2900
January	3369	2920
February	3379	3013
March	3190	3100

a) Refined sugar is not taken into consideration.

b) Only M-31 50 Kg rate is taken.

c) Sugar despatches through rake is also not considered as the sale confirmed in a month is despatched next month.

IV. Internal Control System and their Adequacy

The Internal Control system comprises the Control Environment and Control procedures. This includes policies & procedures adopted by the management which helps in achieving their objective of ensuring adherence to Companies policies, safeguarding of its Assets, prevention & timely detection of Frauds, orderly & efficient conduct of its business and preparing reliable financial information. The Internal Audit function should be commensurate with the size of business and the system has to ensure that all the transactions are authorised, recorded and reported correctly.

Your Company has in place an adequate system of Internal Controls, Accounting procedures and policies being monitored by a strong and Independent Internal Audit department. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board. The Company has also in place a well-defined Delegation of Power (DOP) and various Standard Operating Procedures (SOPs) covering different areas which further strengthen the Internal Control. The Audit approach is based on random sample selection and takes into account the generally accepted business practices. Based on reports of Internal Audit department, corrective actions are taken by process owners in their respective areas thereby strengthening the Internal Controls. Significant Audit observations and corrective action thereon are reviewed by management and subsequently placed before the Audit Committee of the Board of Directors along with the action plan recommended by respective functional head. The directions of Audit Committee are implemented by the respective Head of the Departments and action taken reports are placed before the Audit Committee members in next meeting for their review.

V. Human Resources/Industrial Relations

The industrial relations at the Company's Sugar Mills and Head Office were cordial throughout the year. The Company is committed to create an organisation that nurtures the talent and enterprise of its people, helping them grow and find the fulfilment in an open culture as per our "Group Vision (Think Tomorrow)". The result, that BHSL would be number one. Its growth strategies are based on a strong Human Resource (HR) foundation created through a judicious use of innovative techniques and complementary HR processes and systems. HR policies are reviewed, revised and updated from time to time to make it relevant, more effective and useful to the employees and also to the Company. The basic objective is to facilitate the smooth execution of transparent policies. As of March 31, 2019, BHSL had 7,317 employees. The various HR initiatives carried out by the Company during the year are listed below:

Training Programmes :-

- Training & Development - During the year 2018-19, HR dept. had organised various Training programmes through the involvement of various external agencies as well as internal training faculties. HR department had prepared advance training calendar on six monthly basis scheduling (during off season) various topics after consulting all the departments for the subject and strength of the participants. After preparing, the list of the topics, schedule and name of the participants, it is communicated to everyone concerned by the HR department. On an average 25–28 persons attended such training programme session. The major topics covered by our internal training faculty were on Cane sowing, Irrigation and Pest Control techniques, Operational Procedure and Skill upgradation methods, Safety, Awareness on Health & Occupational Diseases, House-keeping, ISO, Fire fighting, Environment, Health & Occupational Hazards, Energy Conservation, Attitudinal & Behavioural Management, GST, SAP, Computer Awareness, Statutory Compliances, etc. The HR department also arranged external training to the employees by outside experts with specialist knowledge so that the employees can improve their skill sets with relevant up-to-date information and techniques learned in an environment that is familiar and conducive to advancement of group learning also, encourage interaction from the entire group and some surprising techniques can be developed that are particularly relevant to their field. It also helps to grow the team and provides opportunity to interact on a much more personal basis building strongest bonds between team members and more efficient working environment.
- Induction Programmes for New Employees - Induction programmes are regularly conducted at unit level as well as in offices by HR department for all the new employees. This is an interactive programme supplemented by powerpoint presentation about the Company.
- Activities and Events - As a part of Employees Engagement Programmes, celebrated religious, cultural, national integration programmes, e.g. Annual function of Holi Milan, Shivalya Temple, Janmashtami, Dussehra, Diwali, Teej, Lohri festival & New Year celebrations, Republic Day, Independence Day, Vishwakarma Day, Environment Day, Safety Week (4 March to 10 March), Jamnalal Jayanti (4th Nov.), Labour Day (1st May), Zonal Cricket Tournament various type of children's events like Drawing Competition, Fancy Dress Competition, Annual Picnic & Excursion Tours etc.

Corporate Social Responsibility

1. **Bajaj Public School (BPS) –** (affiliated to CBSE): In furtherance of the guiding philosophy of the Corporate Social Responsibility (CSR), the group visualised the dire need to impart high standard education at low cost to the wards of the inhabitants. The Bajaj Public School is a non-profit making organisation, is an outcome to fulfil the said need. It was incorporated during 2009 and extended its branches in Maqsoodapur, Gola, Palia, Barkhera, Kinauni, Gangnauli, Bilai, Utraula and Lalitpur.

   BPS has so far taken responsibility to nurture positively the delicate and tender minds of approx. 1,900 students. School is running as a creative centre for learning and development. It has provided employment to more than 140 people, including spouses of the employees. BPS solely aims to continuously connect, grow, serve and reach the new horizons.

2. Other activities

a) General Medical Checkup, Eye Check-up, Dental Check-up, Hepatitis-B vaccination camps in Factory Campus and also in neighbouring villages, etc.

b) Woollen clothes & Blanket distribution among under-privileged class of surrounding areas.

c) Kanwar Seva Shivir on Mahashivratri Parv.

d) Distributing Organic Manure on subsidised rates to the farmers.

e) In winters, lighting Alao at every Chauraha by distributing bagasses.

f) Fogging and Spray for mosquito in nearby villages.

g) Blood donation camp.

h) Health check-up camp by local hospital were held at offices & units, wherein a team comprising specialised Doctors i.e. Medicines, Eye, Gynaecologist & Dentist conducted medical check-up of employees and their families got themselves checked and were benefited from this health camp. Among the other beneficiaries, there were various outsiders, farmers also.

VI. Financial Analysis of Operations of the Company

The financial results for the year under review from April 01, 2018 to March 31, 2019

Table 12 : Operational data

	Unit	Year ended March 31, 2019	Year ended March 31, 2018
Cane Crushing	MMT	**16.761**	14.765
Sugar Recovery	%	**11.40**	10.62
Sugar Production - From Cane	MT	**19,10,112**	15,60,093
Industrial Alcohol Production	KL	**1,07,724**	1,13,165
Molasses Production	MT	**7,75,934**	6,90,184
Power Generation	000 Units	**9,49,421**	8,52,209

During the year, the production of sugar from sugarcane has increased to 19,10,112 MT as compared to 15,60,093 MT during the previous year. The production of molasses was at 7,75,934 MT as compared to 6,90,184 MT in the previous year. The industrial alcohol / ethanol production was at 1,07,724 KL as compared to 1,13,165 KL in the previous year. Power generation was at 949.4 Million Units (MUs) as compared to 852.2 MUs in the previous year. Average recovery of sugar from sugarcane increased to 11.40% during the current year as compared to 10.62% in the previous year.

Results of operations

Table 13 : Summarised financial results

₹ Crore

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Revenue	**6,969.43**	6,105.31
Earnings before interest depreciation and tax (EBIDTA)	**466.77**	449.78
Finance Costs (Net)	**321.78**	680.17
Cash Profits / (Loss)	**144.99**	(280.39)
Depreciation & amortisation	**211.33**	196.91
Profit/(Loss) before tax	**(66.34)**	(427.30)
Tax expenses	**(2.26)**	(4.11)
Profit/(Loss) after tax	**(64.08)**	(423.19)
Basic and Diluted earnings per share (₹)	**(0.58)**	(3.84)

Turnover

During the year ended March 31, 2019, the Company's total revenue was ₹ 6,969.43 crore as against ₹ 6,105.31 crore in the previous year.

Analysis of sales

During the year, the Company sold 19,53,161 MT of sugar as against 14,62,198 MT during the previous year. The Company sold 3,28,600 MT of molasses as against 1,21,136 MT in the previous year. However, alcohol/ethanol sales during the year was at 1,24,840 KL as against 1,17,323 KL during the previous year.

The Company exported 338.9 MUs of power during the year as against 316.5 MUs during the previous year.

Product-wise sales quantity, value and per unit realisation details are given in Table 14:

Table 14 : Sales revenue

Particulars	Year ended March 31, 2019				Year ended March 31, 2018		
	Unit	**Qty**	**Value ₹ Crore**	**Realisation* ₹/MT/KL/ 000 Units**	Qty	Value ₹ Crore	Realisation* ₹/MT/KL/ 000 Units
Sugar	MT	**19,53,161**	**5,986.52**	**30,650**	14,62,198	5,190.71	35,499
Alcohol / Ethanol	KL	**1,24,840**	**500.83**	**40,118**	1,17,323	462.40	39,412
Molasses	MT	**3,28,600**	**7.81**	**238**	1,21,136	13.27	1,096
Power	000 Units	**3,38,899**	**174.42**	**5,157**	3,16,493	159.58	5,042

* Includes excise duty up to 30.06.2017.

Industrial alcohol was sold in the local market directly to end users, mainly alcohol-based chemical plants. Ethanol was sold to oil companies, who use it for blending with gasoline.

The other operating revenue includes governments grant and subsidy of ₹ 76.55 crore, lease rent of ₹ 10.89 crore, sale of pesticide of ₹ 18.99 crore, sale of scrap of ₹ 6.91 crore, and other miscellaneous operating income of ₹ 7.14 crore.

Other income

Other income for the current year was ₹ 163.61 crore (including interest income of ₹ 148.08 crore, Gain due to foreign exchange fluctuation (net) was at ₹ 0.25 crore and other miscellaneous income was at ₹ 15.28 crore) as against ₹ 166.93 crore (including interest income of ₹ 148.45 crore, Gain due to foreign exchange fluctuation (net) was ₹ 0.65 crore and other miscellaneous income of ₹ 17.83 crore).

Other expenses

During the year, other expenses were ₹ 460.84 crore as against ₹ 412.51 crore in the previous year.

Earnings before interest, depreciation, tax and amortisation (EBIDTA)

The EBIDTA increased for the current year at ₹ 466.77 crore as against ₹ 449.78 crore in the previous year.

Finance costs

Finance cost for the current year was ₹ 321.78 crore as against ₹ 680.17 crore in the previous year, due to repayments of loans and drop in interest rate.

Depreciation and amortisation

The depreciation for the current year was at ₹ 211.33 crore as against ₹ 196.91 crore in the previous year.

Tax expenses

In the absence of profits, no provision for current tax has been made in the current year as well as in the previous year.

Balance sheet

The summarised balance sheet as at March 31, 2019 is given in Table 15.

Table 15 : Summarised balance sheet

₹ Crore

As at	**March 31, 2019**	March 31, 2018
ASSETS		
Non-current assets		
Fixed assets		
Property, plant and equipment	**7,390.08**	7,535.76
Capital work-in-progress	**16.56**	65.79
Intangible assets	**0.00**	0.00
Non-current investments	**251.27**	1,055.92
Other non-current financial assets	**3.99**	2.35
Other non-current assets	**12.97**	13.59
Sub total	**7,674.87**	8,673.41
Current assets		
Inventories	**2,764.98**	2,847.88
Financial assets		
Current investments	**770.13**	-
Trade receivables	**206.05**	192.43

₹ Crore

As at	March 31, 2019	March 31, 2018
Cash and cash equivalents	**48.10**	31.28
Bank balances	**11.42**	23.39
Loans	**2,146.58**	2,002.04
Current tax assets (net)	**3.76**	4.41
Other current assets	**779.81**	817.82
Sub total	**6,730.83**	5,919.25
Total assets	**14,405.70**	14,592.66
EQUITY AND LIABILITIES		
Shareholders' Fund		
Equity	**110.07**	110.07
Other equity	**3,294.98**	3,387.79
Sub total	**3,405.05**	3,497.86
Non-current liabilities		
Financial liabilities		
Borrowings	**5,382.09**	5,892.42
Provisions	**53.75**	43.35
Deferred tax liabilities (net)	**629.46**	642.54
Other non-current liabilities	**21.74**	13.70
Sub total	**6,087.04**	6,592.01
Current liabilities		
Financial liabilities		
Borrowings	**-**	156.26
Trade payables	**4,161.92**	3,372.67
Other financial liabilities	**663.91**	773.32
Other current liabilities	**76.20**	190.60
Short-term provisions	**11.58**	9.94
Sub total	**4,913.61**	4,502.79
Total equity and liabilities	**14,405.70**	14,592.66

Share capital

There was no change in share capital.

Other equity

Other equity has decreased to ₹ 3,294.98 crore as at March 31, 2019 from ₹ 3,387.79 crore as at March 31, 2018 mainly due to loss for the year ₹ 64.08 crore and change of other comprehensive income by ₹ 27.52 crore and utilisation of fund for maintenance of molasses tank by ₹ 1.21 crore.

Non-current borrowings

Long-term borrowings was at ₹ 5,382.09 crore as at March 31, 2019 as against ₹ 5,892.42 crore in the previous year ended March 31, 2018.

Current borrowings

Short-term borrowings stood at ₹ 0.00 crore as at March 31, 2019 as against ₹ 156.26 crore in the previous year ended March 31, 2018.

Property, plant and equipment

Gross Block has increased to ₹ 10,624.77 crore from ₹ 10,561.66 crore, on account of routine capitalisation/decapitalisation during the year. The net block stood at ₹ 7,390.08 crore as against ₹ 7,535.76 crore.

Investments

Investment was at ₹ 251.27 crore as at March 31, 2019 as against ₹ 1,055.92 crore in the previous year ended March 31, 2018. The changes are mainly due to reclassification of long-term investment of ₹ 770.13 crore (investment in LPGCL) to current investment as company entered into a sale agreement of such investment.

Inventories

The inventory of sugar at the end of the current year was 8,06,265 MT equivalent to 201 days' sales as compared to 212

days' sales in the previous year. Alcohol inventory at the end of the current year was 10,090 KL equivalent to 31 days' sales as compared to 91 days' sales in the previous year.

In view of expected volume growth, the inventory liquidation is monitored very closely and the Company does not foresee any difficulty in selling the products manufactured by it.

Debtors

The debtors at the end of the current year were equivalent to 11 days' of sales as compared to 12 days' of sales in the previous year ended March 31, 2018. The decrease was due to change in outstanding of power sale with UPPCL.

Significant non-recurring income, expenditure and other items

Income

Gain on sale of assets ₹ 0.29 crore, provision no longer required/credit balance appropriated ₹ 5.93 crore and miscellaneous receipts ₹ 9.06 crore were of a non-recurring nature.

Expenditure

The loss on assets sold/discarded ₹ 0.35 crore is of a non-recurring nature.

Contingent liabilities

The status of contingent liabilities as at March 31, 2019 has been reviewed by the management. Efforts are being made for speedy settlement of pending cases.

Ratios

Comparative analysis of Important Ratios with variance is tabulated below:

Table 16 : Ratio Analysis

Description	Ratio (Current Year) (Times)	Ratio (Previous Year) (Times)	Variance (%)	Reasons for significant variance
Debtors Turnover Ratio	33.54	32.15	3	N.A.
Inventory Turnover Ratio	2.45	2.01	19	N.A.
Interest Coverage Ratio	0.82	0.80	6	N.A.
Current Ratio	1.37	1.31	4	N.A.
Debt Equity Ratio	1.77	1.90	7	N.A.
Operating Profit Margin Ratio	0.02%	0.02%	(11)	N.A.
Net Profit Margin Ratio	(0.01)	(0.07)	87	Reduction in Finance Cost in view of Company entering into Debt restructuring under S4A Scheme. Improved Sugar recovery leading to reduction in raw material cost
Return on Net Worth	(0.02)	(0.12)	84	-do-

Control measures for cane procurement

Besides smooth functioning of plants, timely and regular procurement of sugarcane is the most important activity of the Company. Continuous efforts are being made to ensure systematic indenting, procurement and crushing of sugarcane. Though the current systems are adequate, as a matter of routine, these systems are periodically reviewed by the senior management team from time to time and corrective measures, if and when considered necessary, are taken to ensure the smooth flow of sugarcane.

Unit-wise operations

Sugar division

Crushing details of plants during the year ended March 31, 2019 are given in Table 17:

Table 17 : Cane crushing, sugar recovery and sugar production

Plant Location	Zone	2018-19			2017-18		
		Cane Crushing (MMT)	Sugar Recovery (%)	Sugar Production (Tonnes)	Cane Crushing (MMT)	Sugar Recovery (%)	Sugar Production (Tonnes)
Gola Gokarannath	Central UP	2.447	11.75	2,87,722	1.895	11.33	2,14,162
Palia Kalan	Central UP	1.494	10.69	1,59,441	1.383	9.82	1,33,936
Khambarkhera	Central UP	1.434	11.90	1,71,043	1.216	11.23	1,35,766

Plant Location	Zone	2018-19			2017-18		
		Cane Crushing (MMT)	**Sugar Recovery (%)**	**Sugar Production (Tonnes)**	Cane Crushing (MMT)	Sugar Recovery (%)	Sugar Production (Tonnes)
Maqsoodapur	Central UP	1.121	11.21	1,25,953	0.827	10.87	88,360
Kinauni	Western UP	1.748	11.40	1,99,300	1.547	10.42	1,61,162
Thanabhawan	Western UP	1.425	11.42	1,62,663	1.245	10.83	1,34,783
Budhana	Western UP	1.385	11.63	1,61,086	1.352	11.11	1,50,204
Bilai	Western UP	1.246	12.21	1,52,187	1.147	11.37	1,30,408
Gangnauli	Western UP	0.870	10.80	94,030	0.835	10.41	86,577
Pratappur	Eastern UP	0.246	10.04	24,747	0.185	8.95	16,423
Rudauli	Eastern UP	0.559	10.19	55,977	0.509	9.46	48,099
Utraula	Eastern UP	0.678	10.93	73,167	0.654	9.51	62,181
Kundarkhi	Eastern UP	1.056	10.99	1,17,620	1.031	9.63	97,663
Total		**16.761**	**11.40**	**19,10,113**	**14.764**	**10.62**	**15,60,092**

Distillery division

The distillery division produced 1,07,724 KL of industrial alcohol/ethanol during the current year against 1,13,165 KL in the previous year. Likewise alcohol/ethanol sales aggregated during the current year at 1,24,840 KL against 1,17,323 KL in the previous year. In value terms, the sale of industrial alcohol/ethanol during the year is ₹ 500.83 crore as against ₹ 462.40 crore in the previous year.

Power division

The sale of power was recorded at ₹ 174.42 crore in the current year as against ₹ 159.58 crore in the previous year. The Company continued optimal use of co-gen capacities with better planning.

Board division

The operations at all plants of board division were suspended due to non-availability of adequate quantity of sugarcane bagasse at affordable prices and inadequate demand of the products in the market.

Accounting policies

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for:

(i) Certain financial assets and liabilities measured at fair value,

(ii) Defined benefit plans - plan assets measured at fair value.

With effect from April 01, 2017 the financial statements of the Company have been prepared to comply with the Indian Accounting Standards ('Ind AS') notified under Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013.

Cautionary/futuristic statements

Statements in the management discussion and analysis report describing the Company's objectives, projections, estimates and expectations may be "forward-looking statements" within the meaning of applicable laws and regulations and futuristic in nature. Actual performance may differ materially from those either expressed or implied. Such statements represent intentions of the management and the efforts put into realising certain goals. The success in realising these depends on various factors both internal and external. Investors, therefore, are requested to make their own independent judgements before taking any investment decisions.

Business Responsibility Report for the year 2018-19

In terms of Regulation 34 of the Listing Regulations

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. **Corporate Identity Number (CIN) of the Company:** L15420UP1931PLC065243
2. **Name of the Company:** Bajaj Hindusthan Sugar Limited
3. **Registered address:** Golagokarannath, Lakhimpur-Kheri, District Kheri, Uttar Pradesh - 262 802
4. **Website:** www.bajajhindusthan.com
5. **E-mail id:** investor.complaints@bajajhindusthan.com
6. **Financial Year reported:** April 01, 2018 to March 31, 2019
7. **Sector(s) that the Company is engaged in (industrial activity code-wise):**

Name and Description of main products / services	NIC Code of the product/service
Sugar	1702
Industrial Alcohol	1101
Power (bagasse-based)	3510

8. **List three key products/services that the Company manufactures/provides (as in balance sheet):**
   1. Sugar
   2. Industrial Alcohol
   3. Power (bagasse based)
9. **Total number of locations where business activity is undertaken by the Company:**
   (a) Number of International Locations (provide details of major 5) : NIL
   (b) Number of National Locations: 17 (Seventeen). Company has its Registered Office at Golagokarannath, Uttar Pradesh, Corporate Offices at Mumbai, Maharashtra, Noida and Lucknow, Uttar Pradesh and it has fourteen manufacturing units all located in the state of Uttar Pradesh.
10. **Markets served by the Company:**

Local	State	National	International
Yes	Yes	Yes	Yes

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1. **Paid-up Capital (INR) :** ₹ 1,13,35,59,942 (Rupees One Hundred Thirteen Crore Thirty Five Lakhs Fifty Nine Thousand Nine Hundred Forty Two only) comprising of 1,13,35,59,942 equity shares of ₹ 1/- each.
2. **Total Turnover (INR) :** ₹ 6,967.43 crore
3. **Total profit/(loss) after taxes (INR) :** ₹ (64.05) crore
4. **Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%):** NIL (Since the average net profit for last 3 years is negative)
5. **List of activities in which expenditure in 4 above has been incurred :** Not applicable

SECTION C: OTHER DETAILS

1. **Does the Company have any Subsidiary Company/Companies:**

   Yes, the Company has 5 subsidiaries including 2 step down subsidiaries as on March 31, 2019.
2. **Do the Subsidiary Company/Companies participate in the BR initiatives of the parent Company? If yes, then indicate the number of such subsidiary company(s):**

   No, the Subsidiary companies do not participate in the BR initiatives of the parent Company.
3. **Do any other entity/entities (e.g. suppliers, distributors, etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/ entities? [Less than 30%, 30-60%, More than 60%]:**

   No**,** the other entities with whom the Company does business with viz. suppliers, distributors, etc. don't participate in the BR initiatives of the Company.

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR:

(a) Details of the Director/Directors responsible for implementation of the BR Policy/policies:

1. DIN : 02608184 2. Name : Mr. Ashok Kumar Gupta 3. Designation : Director (Group Operations)

(b) Details of the BR head:

Sr. No.	Particulars	Details
1	DIN (if applicable)	02608184
2	Name	Mr. Ashok Kumar Gupta
3	Designation	Director (Group Operations)
4	Telephone number	91-5876-233754
5	E-mail id	akgupta.gol@bajajhindusthan.com

2. Principle-wise (as per NVGs) BR Policy/policies (Reply in Y/N) :

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/policies for...	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders ?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national/international standards? If yes, specify ?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		The Policy is based on and it is in confirmation with 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business' issued by Ministry of Corporate Affairs.								
4	Has the policy being approved by the Board ? If yes, has it been signed by MD/Owner/CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the Company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy ?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	http://www.bajajhindusthan.com/ investorcorner-policies.php								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the Company have in-house structure to implement the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the Company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	N	N	N	N	N	N	N	N	N

2a. If answers to Sr. No.1 against any principle is 'No', please explain why: (Tick up to 2 options)

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The Company has not understood the principles	-	-	-	-	-	-	-	-	-
2	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	-	-	-	-	-	-	-	-	-
3	The Company does not have financial or manpower resources available for the task	-	-	-	-	-	-	-	-	-
4	It is planned to be done within next 6 months	-	-	-	-	-	-	-	-	-
5	It is planned to be done within next 1 year	-	-	-	-	-	-	-	-	-
6	Any other reason (please specify)	-	-	-	-	-	-	-	-	-

3. Governance related to BR:

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year

The Chairman and Managing Director assess the BR performance of the Company at least annually.

(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

The Company publishes the Business Responsibility Report on annual basis as a part of Annual Report. The Report is available on the website of the Company at http://www.bajajhindusthan.com

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1: Ethics, Transparency and Accountability

1. Does the policy relating to ethics, bribery and corruption cover only the Company ? Yes/No. Does it extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others ?

Company believes that Ethics, Transparency and Accountability are the three basic pillars of the business of the Company and the said belief are reflected in 'Code of Conduct for Directors and Senior Management', 'Code of fair disclosure' and 'Vigil Mechanism Policy' adopted by the Company. These Codes and Polices are applicable to Directors and Employees of the Company, the underlying principles are communicated to vendors, suppliers, distributors and other key business associates of the Company, which they are expected to adhere to while dealing with the Company.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management ? If so, provide details thereof, in about 50 words or so.

During the Financial year under review, the Company has received 15 complaints from its shareholders and all 15 complaints have been resolved satisfactorily. More details are available under the head "Details of shareholders complaints" in Corporate Governance Section.

Principle 2: Product Life Cycle Sustainability

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

The Company understands its obligations on social and environmental concerns, risks and opportunities. Accordingly the Company has devised the manufacturing process of its products (Sugar, Industrial alcohol and Bagasse-based power) in a manner taking care of its obligations.

The Company has deployed best-in-class technology and process to manufacture its product and taken various steps for conservation of energy and also taken various efforts in Research and Energy, details of which are given in Annexure IX of the Directors' report.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):

(a) Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain?

Reduction in Electricity consumed to produce per qtl. of sugar.

Reduction in Electricity consumed per tonne of cane crushed.

Reduction in Borewell water consumed per tonne of cane crushed.

(b) Reduction during usage by consumers (energy, water) has been achieved since the previous year ?

The details of reduction during usage by consumers (energy, water) achieved since the previous year are not available with the Company.

3. Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

During crushing season, the Cane Indent has been given to the cane societies keeping in mind the per day cane availability, according to this transport and labour arrangement has been made for the day-to-day cane lifting of centres and also to avoid the stale cane. This system also helps us in the transport and labour cost saving.

4. Has the Company taken any steps to procure goods and services from local and small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

Every year, Bajaj Hindusthan Sugar Ltd. conducts a survey of its command area to bring on record the cane cultivated area of the farmers. This also takes care of the different varieties of sugarcane that are grown by farmers.

Post this massive exercise, every farmer within the command area of the mill is provided with a calendar, which tells him when he can expect a Mill Supply Ticket (Purchy) against which he will supply the cane.

The calendar is distributed over 180 days. Based on the maturity and recovery expected from the varieties, the distribution takes place in the calendar.

After receiving the purchy, the farmer harvests the cane and transports it either in a bullock cart or tractor trolley to the mill gate. Farmers who stay in far-flung areas supply cane at the mill's centres. This cane is then transported in trucks or through rail to the mill.

5. **Does the Company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.**

   Yes, the Company have a mechanism to recycle by-products (4.5 – 5% of Sugar cane crushed) and other residual output. Percentage of recycling of products and brief details thereof are given below:

   Molasses (>10%) : Molasses is the only by-product obtained in the preparation of sugar. Molasses is mainly used for the manufacture of alcohol, yeast and cattle feed. Alcohol in turn is used to produce ethanol, rectified spirit, potable liquor and downstream value-added chemicals such as acetone, acetic acid, butanol acetic anhydride, etc. Our maximum quality of absolute alcohol is being utilised as green fuel i.e. 10% blending with the Petrol. Besides, it is being important roles in livestock feeding, due to nutrient, appetising and physical properties of its sugar content.

   Bagasse (>10%) : Bagasse is a fibrous residue of cane stalk that is obtained after crushing and extraction of juice (30% of sugar cane). Bagasse is usually used as a biofuel in furnaces to produce steam, which in turn is used to generate power. It is also used as a raw material for production of paper and as feedstock for cattle.

   Fly ash (>10%) : Fly ash is the residual output from the boiler furnace after bagasse has completely burnt out. This fly ash is used as a substitute for firewood. It is rich in potassium and is also used by local farmers as manure for improving soil health and also filling and reclamation of low lying area.

   Press mud (>10%) : Press mud also known as Oliver cake or press cake, is the residual output after the filtration of the juice (approx. 4% of Sugar cane). It is mixed with distillery spent wash to produce high quality bio-manure, which used to improve soil chemical, physical and biological properties, enhance the crop quality and yield and maintain the C & N ratio of soil.

Principle 3: Employee Wellbeing

1. Please indicate the total number of employees: 7,317
2. Please indicate the total number of employees hired on temporary/contractual/casual basis: 3,234
3. Please indicate the number of permanent women employees: 6
4. Please indicate the number of permanent employees with disabilities: Nil
5. Do you have an employee association that is appetising by management: No
6. What percentages of your permanent employees are members of this appetising employee association? : Not applicable
7. Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year:

Sr. No.	Category No.	No. of complaints filed during the financial year	No. of complaints pending as on end of the financial year
1	Child labour/forced labour/involuntary labour	Nil	Nil
2	Sexual harassment	Nil	Nil
3	Discriminatory employment	Nil	Nil

8. What percentage of your under-mentioned employees were given safety and skill upgradation training in the last year?
   (a) Permanent Employees: 56%
   (b) Permanent Women Employees: 0%
   (c) Casual/Temporary/Contractual Employees: 13%
   (d) Employees with Disabilities: Nil

Principle 4: Stakeholders' engagement

1. **Has the Company mapped its internal and external stakeholders ?**

   Yes

2. **Out of the above, has the Company identified the disadvantaged, vulnerable and marginalised stakeholders:**

   Yes

3. **Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalised stakeholders. If so, provide details thereof, in about 50 words or so:**

   No

Principle 5: Human Rights

1. **Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others ?**

   The Company does not have any policy on Human Rights for the time being. However, any issues are covered by the national and the local laws.

2. **How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

   No stakeholder complaints were received during the last financial year.

Principle 6: Environment

1. **Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/others.**

   The Policy not only covers the Company but also cover the stakeholders and contractors.

2. **Does the Company have strategies/initiatives to address global environmental issues such as climate change, global warming, etc ? Y/N. If yes, please give hyperlink for webpage etc.**

   Our Sugar and distillery business is based on renewable energy source and also contributing significantly in green fuel.

3. **Does the Company identify and assess potential environmental risks ? Y/N.**

   Yes

4. **Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?**

   Currently, no CDM project is in process. Previously, VCS and CDM projects were registered for Kinauni and Thanabhawan Units, respectively.

5. **Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.**

   Our 11 projects were registered for Renewable Energy Certificate (REC) scheme of Central Electricity Regulatory Commission to promote co-generation and generation from renewable source of energy.

6. **Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported ?**

   Yes

7. **Number of show cause/legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.**

   No show cause notice pending as on end of financial year.

Principle 7: Public and Regulatory Policy

1. **Is your Company a member of any trade and chamber or association ? If yes, name only those major ones that your business deals with:**

   (a) Confederation of Indian Industry (CII), Western Region.

   (b) Bombay Chamber of Commerce and Industry.

   (c) The Sugar Technologists Association of India.

   (d) All India Distillers Association, Delhi.

   (e) UP Distillers Association, Delhi.

2. **Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No. If yes, specify the broad areas (Drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy Security, Water, Food Security, Sustainable Business Principles, Others)**

   No

Principle 8 : Inclusive Growth

1. **Does the Company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes, details thereof.**

   Bajaj Hindusthan focusses on responsible business practices with community-centric interventions. The thrust areas for Bajaj Hindusthan are sustainable livelihood - especially Rural Development, Welfare Activities, Skill Development and Employability Training, Education and Health Care, all of which constitute the Rural Development and Human Development Index – a quality of life indicator.

2. **Are the programmes/projects undertaken through in-house team/own foundation/external NGO/ government structures/any other organisation?**

   The projects/programmes are implemented by in-house team of the Company.

3. **Have you done any impact assessment of your initiative?**

   No

4. **What is your Company's direct contribution to community development projects - Amount in INR and the details of the projects undertaken.**

   Bajaj Hindusthan's direct contribution to community development is ₹ 7.83 Lakh. This amount was spent under the broad categories of -

   (a) Rural Development activities:
   - To motivate the growers for cane cultivation with inter crop as mustard, potato and vegetables, to increase the net profit in per unit area;
   - Cultivation of mung, urad etc. as inter crop with spring planting sugar cane and ratoon crop;
   - Biological control of insects and pests;
   - Water conservation;
   - We publish literature/pamphlets etc. for distribution among the cane growers for awareness and to adopt new agricultural practices for taking high yield;
   - As per requirement village roads, are repaired by us with contribution of cane development council;
   - Agricultural inputs like fertilisers, pesticides, implements, etc. are provided by us to the cane growers on subsidised rates;
   - Eye camps are organised for the welfare of farmers and their families;
   - Farmers tours to Sugarcane Research Stations are also arranged by us from time to time with the contribution of Cane Development Council;
   - Ash trials are extended to more cane fields and the results are encouraging.

   (b) Welfare and training and other activities:
   - In-house training programmes on various topics for employees of Engineering, Production, Cane, E.H.S. & Distillery Division;
   - English Medium School namely Bajaj Public School and started UKG and 1st Standard;
   - Cultural programme and religious activities;
   - Developed and maintain green belt in factory premises and colony area for obtaining eco-friendly environment of township;
   - Development of children parks;
   - Displaying of safety signals in factory premises along with First Aid boxes wherever necessary.

5. **Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.**

   Yes, focussing rural development and capacity building, rural interaction programmes like Kisan Gosthi/seminars were organised which also helps interaction with cane growers and provide a platform to farmers to learn new technologies of cane cultivation vis-à-vis yield improvements in coordination with the concerned scientists of KVK cane sugar research, institute, etc. various religious functions like Hariyali Teej, Janmashtami, Durga Pooja, Ram Navami, Lord Vishwakarma Pooja, Deepawali and Holi festivals were celebrated at our unit with the mass participation of workers/ officers and their families. Children are participating in various Events and Cultural activities too.

Principle 9: Consumer Value

1. **What percentage of customer complaints/consumer cases are pending as at the end of financial year.**

   As at the end of the financial year, no consumer complaints/consumer cases are pending.

2. **Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A./Remarks (additional information)**

   Company complies with the applicable statutory requirements as to product labels.

3. **Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.**

Details	No. of cases filed in the last five years	No. of cases pending as on end of financial year 2018-19	Remarks
Alleged Unfair Trade Practice	Nil	Nil	-
Alleged Irresponsible Advertising	Nil	Nil	-
Alleged Anti Competitive Behaviour	Nil	Nil	-

4. **Did your Company carry out any consumer survey/consumer satisfaction trends ?**

   During the year, consumer survey/consumer satisfaction trends were carried out by the Company.

CEO / CFO Certification

The Board of Directors
Bajaj Hindusthan Sugar Limited
Mumbai

Re: Financial Statements for the financial year ended March 31, 2019 – Certification by CEO and CFO

We, Kushagra Bajaj, Chairman & Managing Director and Alok Kumar Vaish, Chief Financial Officer of Bajaj Hindusthan Sugar Limited, on the basis of review of the financial statements and the cash flow statement for the financial year ended March 31, 2019 and to the best of our knowledge and belief, hereby certify that:-

1. These statements do not contain any materially untrue statements or omit any material fact or contain statements that might be misleading.

2. 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.

3. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the financial year ended March 31, 2019, which are fraudulent, illegal or violative of the Company's code of conduct.

4. We accept responsibility for establishing and maintaining internal controls and we have evaluated the effectiveness of the internal control systems of the Company. We have disclosed to the auditors and the Audit Committee those deficiencies, of which we are aware, in the design or operation of the internal control systems and that we have taken the required steps to rectify these deficiencies.

5. We have indicated to the Auditors and the Audit Committee:

   (a) there have been no significant changes in internal control over financial reporting during the year;

   (b) there have been no significant changes in accounting policies made during the year; and that the same have been disclosed in the notes to the financial statements; and

   (c) there have been no instances of significant fraud of which we have become aware and the involvement therein, of management or an employee having significant role in the Company's internal control systems over financial reporting.

Kushagra Bajaj
Chairman & Managing Director
(DIN: 00017575)

Alok Kumar Vaish
Chief Financial Officer

Place : Mumbai
Dated : May 22, 2019

Independent Auditor's Report

To the Members of Bajaj Hindusthan Sugar Limited

Report on the Audit of the Standalone Financial Statements

Qualified Opinion

1. We have audited the Standalone financial statements of Bajaj Hindusthan Sugar Limited ("the Company"), which comprise the balance sheet as at March 31, 2019, the statement of Profit and Loss including the statement of other comprehensive income, the cash flow statement, the Statement of Changes in Equity 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 possible effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid standalone Ind AS financial statements give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019 and its loss, changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

2. We draw attention to Note No. 36 (e) regarding the non-provision of premium payable on Optionally Convertible Debentures (OCDs) at the time of redemption of OCDs issued to lenders pursuant to the Scheme for Sustainable Structuring of Stressed Assets (S4A Scheme) which stipulates that the yield to maturity (YTM) being the difference between weighted average interest and coupon rate payable as redemption premium at the time of redemption of OCDs redeemable in 13 equal instalments commencing from the Financial year 2024-25. The Company considers such YTM / redemption premium as contingent liability and has not provided for the same in the books of account for the year ended March 2019 amounting to ₹ 403.63 crore. The aggregate liability for such YTM from the date of allotment of OCDs till year ended March 31, 2019 is ₹ 514.50 crore from date of allotment of OCDs. Had such interest been provided, the reported profit / (loss) for the year ended March 2019 would have been ₹ (467.71) crore and Net worth of the Company would have been ₹ 2,890.55 crore.

Material Uncertainty related to Going Concern

3. As stated in Note No.47 of the financial statements, the Company continues to incur losses resulting into reduction of net worth. As at the year end , the Company has overdue instalments of certain debts and dues payable to farmers for sugar cane purchases. The above factors indicate a material uncertainty, which may cast significant doubt about the Company's ability to continue as a going concern. However, the management expects to generate positive cash flow from operation this year based on improvement in sugar recovery percentage & expects further improvement in the operational efficiencies in other parameters based on various corrective measures taken by the Company including the restructuring of debts as stated in the said note and the Company expects to receive benefits under the Sugar Promotion Policy 2004 pursuant to a favourable Order of Hon'ble Supreme Court of India. Accordingly, the Company is of the view that going concern of the accounting is appropriate.

   Our report is not modified in respect of the above matter.

Emphasis of Matter

4. As stated in Note No.45, the Company has exposure aggregating to ₹ 1,748.35 crore, in its three wholly-owned subsidiaries, ₹ 770.13 crore in other companies which are related to group and ₹ 511.86 crore in other companies , aggregating to ₹ 3,030.34 crore , by way of investments, loans, accumulated interest on these loans and receivables. The above exposure is considered good and recoverable by the management based on the future projections, valuation reports, ongoing efforts for obligation casted on the Company and promoters to recover the outstanding loans in phased manner in terms of the agreements executed to give effect to the debt restructuring schemes from time to time and accordingly no provision has been considered necessary.

   Our report is not modified in respect of the above matter.

Key Audit Matters

5. Key audit matters are those matters that, in our professional judgement, 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.

We have determined the matters described below to be key audit matters to be communicated in our report.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Impairment assessment for Investments, loans and interest on loan & receivables
(refer Note No. 2.20 (i) for accounting policy and Note No. 45 for Investments)

The Company has exposure aggregating to ₹ 1,748.35 crore, in its three wholly-owned subsidiaries, ₹ 770.13 crore in other companies which are related to group and ₹ 511.86 crore in other companies, by way of investments, loans, accumulated interest on these loans and receivables. Such investments are carried at cost as per Ind AS 27 – Separate Financial Statements and are individually assessed for impairment as per Ind AS 36 - Impairment of Assets.

We focussed on this area due to magnitude of the carrying value of investments, loans, accumulated interest on loan and receivables related to subsidiary companies, other companies related to group and other companies, which comprise 21% of the total assets as at March 31, 2019 and are subject to annual impairment assessment.

Our audit procedures, in respect of testing impairment assessment in case of investments, loans given, interest accrued on loans and receivables related to subsidiary companies, other companies related to group and other Companies, included the following:

a. Obtained understanding of the process, evaluated the effectiveness of controls in respect of impairment assessment of investments in subsidiaries and other companies related to group.

b. Held discussions with management regarding appropriate implementation of policy on impairment.

c. Evaluated the future projections and valuation report of the other companies related to group.

d. Confirmations for above exposure.

e. Validated the S4A Restructuring Scheme.

f. We evaluated the impairment assessment performed by management taking into account the requirements of Ind AS 36 – Impairment of Assets.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

6. The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

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

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

   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.

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

7. The Company's Board of Directors / Management is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, (changes in equity) 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 judgements 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 statement 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

8. 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 judgement and maintain professional skepticism throughout the audit. We also:

   a. Identify and assess the risks of material misstatement of the 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.

   b. 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.

   c. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

   d. 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 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.

   e. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

   Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

   From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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

9. 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 statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

10. 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. Except for the possible effects of the matters described in the Basis of Qualified opinion paragraph above, 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 Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended except requirement of Ind AS 23 on Borrowings Cost with regard to matters described in the Basis of Qualified Opinion paragraph above .

e. The going concern matter described in paragraph 3 under Material Uncertainty related to Going Concern paragraph above, in our opinion, may have adverse effect on the functioning of the Company.

f. On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

g. 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".

h. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended.

   In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.

i. 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 disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 36 to the financial statements;

   ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **Chaturvedi & Shah LLP**
Chartered Accountants
Firm Registration No. 101720W/W100355

Lalit R. Mhalsekar
Partner
Membership No. 103418

Mumbai
Dated: May 22, 2019

Annexure "A" referred to in paragraph 11 under the heading Report on other legal and regulatory requirements of our report of even date

i. In respect of its Fixed Assets :

   a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.

   b. As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.

   c. According to the information and explanations given to us, the immovable properties of the Company have been mortgaged with the lenders and the original title deeds are deposited with the lender's trustee. Based on the confirmation given by the trustee and verification of the copies of the title deeds / lease deeds in respect of immovable properties of freehold land, buildings and immovable properties of land that have been taken on

lease and disclosed as fixed assets in the financial statement are held in the Company's name or in the Company's erstwhile name or in the name of companies amalgamated with the Company in past.

ii. In respect of its inventories:

As explained to us, physical verification of inventories have been conducted at reasonable intervals by the management, which in our opinion is reasonable, having regard to the size of the Company and nature of its inventories. No material discrepancies noticed on such verification of inventories as compared to the book records.

iii. On the basis of the audit procedures applied by us, and according to the information and explanations given to us on our enquiries on this behalf and records produced to us for our verification, the Company has not given loans and advances to Companies covered in the register maintained under Section 189 of the Act.

iv. In respect of loans, investments, guarantees and security, the Company has complied with the provisions of Sections 185 and 186 of the Act except in respect of one subsidiary wherein no interest is charged by the Company.

v. According to the information and explanations given to us, the Company has not accepted any deposits within the meaning of provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Therefore, the provisions of Clause (v) of paragraph 3 of the Order are not applicable to the Company.

vi. To the best of our knowledge and as explained, the Company has maintained the cost records specified under Companies (cost records and audit) Rules, 2014 issued under sub section (1) of Section 148 of the Act, in respect of Company's products to which said rules are made applicable and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the records with a view to determine whether they are accurate.

vii. In respect of Statutory dues :

a. According to the records of the Company, undisputed statutory dues including Goods and Services Tax, Provident Fund, Income-Tax, Sales-Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other statutory dues applicable to it have been generally regularly deposited with appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2019 for a period of more than six months from the date of becoming payable.

b. On the basis of our examination of accounts and documents on records of the Company and information and explanations given to us upon enquires in this regard, the disputed amounts payable in respect of Income Tax, Sales Tax, Service Tax, Custom Duty and Excise Duty/Cess not deposited with the appropriated authorities are as under:

Name of Statute	Nature of Dues	Amount (₹ in Crore)	Period	Forum where dispute is Pending
Central Sales Tax Act, 1956 and Sales Tax Act/VAT Act of various states & GST Act	Sales Tax, VAT and Entry Tax, GST	5.56	Various year from 2011-12 to 2017-18	Commissioner Sales Tax/VAT
		47.70	Various year from 1982-83 to 2013-14	Sales Tax Appellate Tribunal
		3.42	Various year from 1989-90 to 2010-11	High Court
Central Excise Act, 1944	Excise and Service Tax	0.92	Various year from 2006-07 to 2016-17	Commissioner of Central Excise (Appeals)
		0.25	Various year from 2008-09 to 2015-16	Central Excise and Service Tax Appellate Tribunal
		5.59	From 2004-05	Supreme Court
		0.05	Various year from 2004-05 to 2015-16	High Court
	Total	**63.49**		

viii. In our opinion and according to the information and explanations given to us, the Company has delayed in repayment of dues to financial institutions, banks and government during the year. The lenderwise details of the delays made by the Company as on March 31, 2019 is tabulated as under:-

Name of Institutions	Principal			
	No. of Days - Range		Amount (₹ in Crore) - Range	
Bank	**Min**	**Max**	**Min**	**Max**
Allahabad Bank	4	37	0.27	8.69
Bank of Baroda	11	16	0.07	1.73
Bank of India	11	23	0.04	1.73
Bank of Maharashtra	4	30	0.20	4.35
Canara Bank	5	40	0.13	4.35
Central Bank of India	4	74	0.21	6.6

Name of Institutions	Principal			
	No. of Days - Range		Amount (₹ in Crore) - Range	
Bank	**Min**	**Max**	**Min**	**Max**
Corporation Bank	19	58	0.09	4.17
IDBI Bank Ltd	9	39	0.00	4.45
Indian Overseas Bank	13	25	0.06	2.62
Oriental Bank of Commerce	8	26	0.20	3.81
Punjab National Bank	5	58	0.44	12.28
State Bank of India	1	53	0.06	12.02
UCO Bank	19	31	0.58	3.9
Sugar Development Fund	27	58	0.19	0.35

Name of Institutions	Principal			
	No. of Days - Range		Amount (₹ in Crore) - Range	
Bank	**Min**	**Max**	**Min**	**Max**
Bank of India	1	50	0.01	0.38
Bank of Maharashtra	1	50	0	0.97
Corporation Bank	1	50	0.02	0.54
IDBI Bank Ltd	1	57	0	1.85
Indian Overseas Bank	1	50	0.01	0.64
Oriental Bank of Commerce	1	50	0.01	0.88
UCO Bank	1	51	0.04	0.91

The lenderwise details of the default as on March 31, 2019 is tabulated as under:

Name of Institutions	Principal Outstanding as on 31.03.2019*	Interest Outstanding as on 31.03.2019**
Allahabad Bank	14.31	2.65
Bank of Baroda	3.46	0.65
Bank of India	2.04	0.42
Bank of Maharashtra	10.19	1.77
Canara Bank	6.93	1.21
Central Bank of India	9.82	1.92
Corporation Bank	4.04	0.83
IDBI Bank Ltd	8.96	1.69
Indian Overseas Bank	3.10	0.85
Oriental Bank of Commerce	10.94	1.68
Punjab National Bank	17.76	3.43
State Bank of India	30.72	5.57
UCO Bank	4.48	0.86
Total	**126.74**	**23.52**

*default of Principal amount of loan has been made subsequently good by Company in the month of April and May, 2019
**default of Interest amount of loan has been made subsequently good by Company in the month of April and May, 2019

ix. The Company has not raised money by way of initial public offer or further public offer (including debt instruments) or term loan during the year and hence clause (ix) of paragraph 3 of the Order is not applicable to the Company.

x. Based on the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

xi. In our opinion and according to the information and explanations given to us, managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

xii. In our opinion, Company is not a nidhi Company. Therefore, the provisions of clause (xii) of paragraph 3 of the Order are not applicable to the Company.

xiii. In respect of transactions with related parties:

In our opinion and according to the information and explanations given to us, all transactions with related parties are in compliance with Sections 177 and 188 of the Act and their details have been disclosed in the financial statements etc., as required by the applicable accounting standards.

xiv. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.

xv. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transaction with the directors or persons connected with him and covered under Section 192 of the Act. Hence, clause (xv) of the paragraph 3 of the Order is not applicable to the Company.

xvi. To the best of our knowledge and as explained, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **Chaturvedi & Shah LLP**
Chartered Accountants
Firm Registration No. 101720W/W100355

Lalit R. Mhalsekar
Partner
Membership No. 103418

Mumbai
Dated: May 22, 2019

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 12(g) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Bajaj Hindusthan Sugar Limited of even date)

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

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

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company 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 respective Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of 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 unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, 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.

For **Chaturvedi & Shah LLP**
Chartered Accountants
Firm Registration No. 101720W/W100355

Lalit R. Mhalsekar
Partner
Membership No. 103418

Mumbai
Dated: May 22, 2019

Balance Sheet as at March 31, 2019

Particulars	Note	As at March 31, 2019 ₹ Crore	As at March 31, 2018 ₹ Crore
ASSETS :			
Non-current assets			
Property, plant and equipment	3	**7,390.08**	7,535.76
Capital work-in-progress	3	**16.56**	65.79
Other intangible assets	3	**0.00**	0.00
Financial assets			
Investments	4	**251.27**	1,055.92
Other non-current financial assets	5	**3.99**	2.35
Other non-current assets	6	**12.97**	13.59
Sub total		**7,674.87**	8,673.41
Current assets			
Inventories	7	**2,764.98**	2,847.88
Financial assets			
Current investments	8	**770.13**	-
Trade receivables	9	**206.05**	192.43
Cash and cash equivalents	10	**48.10**	31.28
Bank balances	11	**11.42**	23.39
Loans and interest accrued	12	**2,146.58**	2,002.04
Current tax assets (net)	13	**3.76**	4.41
Other current assets	14	**779.81**	817.82
Sub total		**6,730.83**	5,919.25
Total assets		**14,405.70**	14,592.66
EQUITY AND LIABILITIES :			
Equity			
Equity share capital	15	**110.07**	110.07
Other equity	16	**3,294.98**	3,387.79
Sub total		**3,405.05**	3,497.86
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	17	**5,382.09**	5,892.42
Provisions	18	**53.75**	43.35
Deferred tax liabilities (net)	19	**629.46**	642.54
Other non-current liabilities	20	**21.74**	13.70
Sub total		**6,087.04**	6,592.01
Current liabilities			
Financial liabilities			
Borrowings	21	**-**	156.26
Trade payables :			
Total outstanding micro enterprises and small enterprises	22	**0.67**	0.40
Total outstanding other than micro enterprises and small enterprises	22	**4,161.25**	3,372.27
Other financial liabilities	23	**663.91**	773.32
Other current liabilities	24	**76.20**	190.60
Provisions	25	**11.58**	9.94
Sub total		**4,913.61**	4,502.79
Total equity and liabilities		**14,405.70**	14,592.66

See accompanying notes "1" to "50" to the financial statement.

As per our Report of even date

For Chaturvedi & Shah LLP
Firm Registration No.101720W/W100355
Chartered Accountants

For and on behalf of the Board

Kushagra Bajaj
Chairman & Managing Director
DIN: 00017575

Lalit R. Mhalsekar
Partner
Membership No. 103418

Alok Kumar Vaish
Chief Financial Officer
M. No. F089930

Pradeep Parakh
Group President (GRC) &
Company Secretary
M. No. F6171

D.K. Shukla
Independent Director
DIN: 00025409

Shalu Bhandari
Independent Director
DIN: 00012556

Vipulkumar S. Modi
Independent Director
DIN: 06985276

Mumbai, May 22, 2019

Statement of Profit & Loss for the year ended March 31, 2019

Particulars	Note	Year ended March 31, 2019 ₹ Crore	Year ended March 31, 2018 ₹ Crore
INCOME :			
Revenue from operations	26	**6,803.82**	5,938.38
Other income	27	**163.61**	166.93
Total Income		**6,967.43**	6,105.31
EXPENSES :			
Cost of materials consumed	28	**5,658.63**	4,900.53
Changes in Inventories of finished goods, stock-in-trade and work-in-progress	29	**106.42**	(2.60)
Excise duty on goods sold	30	**-**	95.99
Employee benefits expense	31	**274.77**	249.10
Finance costs	32	**321.78**	680.17
Depreciation and amortisation expense	33	**211.33**	196.91
Other expenses	34	**460.84**	412.51
Total Expenses		**7,033.77**	6,532.61
Profit/(Loss) before exceptional items and tax		**(66.34)**	(427.30)
Exceptional Items		**-**	-
Profit/(Loss) before tax		**(66.34)**	(427.30)
Tax expenses			
Deferred tax	19	**(2.31)**	5.75
Tax relating to earlier years		**0.05**	(9.86)
Total tax		**(2.26)**	(4.11)
Profit/(Loss) for the year after tax		**(64.08)**	(423.19)
Other comprehensive income			
- Items that will not be reclassified to profit or loss	35	**(38.29)**	(49.56)
- Income tax relating to items that will not be reclassified to profit or loss	35	**10.77**	16.34
		(27.52)	(33.22)
Total comprehensive income for the year (comprising profit / (loss) and other comprehensive income for the year)		**(91.60)**	(456.41)
Earnings per equity share of face value of ₹ 1/- each			
Basic and Diluted	37	**(0.58)**	(3.84)

See accompanying notes "1" to "50" to the financial statement.

As per our Report of even date

For Chaturvedi & Shah LLP
Firm Registration No.101720W/W100355
Chartered Accountants

For and on behalf of the Board

Kushagra Bajaj
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DIN: 06985276

Mumbai, May 22, 2019

Cash Flow Statement for the year ended March 31, 2019

Particulars	Year ended March 31, 2019 ₹ Crore	Year ended March 31, 2018 ₹ Crore
A. Cash flow from operating activities:		
Net profit/(loss) before tax	**(66.34)**	(427.30)
Adjustment for:		
Depreciation and amortisation	**211.33**	196.91
Reversal of reserve for molasses storage tank - for repair work	**(1.21)**	-
Unrealised loss/(gain) due to foreign exchange fluctuation	**(0.37)**	(0.78)
Provision for doubtful Debts/Bad Debts Written off	**13.68**	15.05
Provision for doubtful advances	**1.18**	-
Fair valuation of Land	**1.78**	-
Loss/(surplus) on sale of fixed assets (net)	**0.06**	(1.09)
Finance costs	**321.78**	680.17
Interest income	**(148.08)**	(148.45)
	400.15	741.81
Operating profit/(loss) before working capital changes	**333.81**	314.51
Adjustment for:		
Trade and other receivables	**24.39**	(51.71)
Inventories	**82.90**	161.64
Trade and other payables	**691.16**	499.03
Cash generated from operations	**1,132.26**	923.47
Direct taxes	**0.60**	27.09
Net cash from/(used in) operating activities	**1,132.86**	950.56
B. Cash flow from investing activities:		
Purchase of property, plant and equipment	**(22.96)**	(34.62)
Sale of property, plant and equipment	**0.49**	1.66
Interest received	**4.21**	3.89
Net cash from/(used in) investing activities	**(18.26)**	(29.07)
C. Cash flow from financing activities:		
Repayment of long-term borrowings	**(623.71)**	(483.65)
Proceeds from short-term borrowings (net of repayments)	**(156.26)**	(86.48)
Interest paid	**(317.64)**	(350.04)
Dividend paid	**(0.17)**	(0.13)
Net cash from/(used in) financing activities	**(1,097.78)**	(920.30)
Net increase/(decrease) in cash and cash equivalents	**16.82**	1.19
Cash and cash equivalents (opening balance)	**31.28**	30.09
Cash and cash equivalents (closing balance) - refer Note 10	**48.10**	31.28

Notes:-
1. The above cash flow statement has been prepared under the "Indirect Method" as per Indian Accounting Standard (Ind AS) 7.
2. Figures in brackets indicate cash outflow and without brackets indicate cash inflow.
3. Change in liability arising from financing activities.

₹ Crore

Particulars	Non-current Borrowings	Current Maturities of Long-Term Borrowings	Current Borrowings	Total
As at April 1, 2018	5,892.42	742.09	156.26	6,790.77
Cashflow	(521.60)	(102.11)	(156.26)	(779.97)
Non-cash transaction	11.27	-	-	11.27
As at March 31, 2019	5,382.09	639.98	-	6,022.07

Non-cash transaction

4. Notional interest ₹ 11.27 crore on promoters loan credited to promoter's loan account (refer 17.4).

See accompanying notes "1" to "50" to the financial statement.

As per our Report of even date

For Chaturvedi & Shah LLP
Firm Registration No.101720W/W100355
Chartered Accountants

Lalit R. Mhalsekar
Partner
Membership No. 103418

Alok Kumar Vaish
Chief Financial Officer
M. No. F089930

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DIN: 00025409

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Independent Director
DIN: 00012556

Vipulkumar S. Modi
Independent Director
DIN: 06985276

Mumbai, May 22, 2019

Statement of Change in Equity for the year ended March 31, 2019

A Equity share capital

₹ Crore

Particulars	Amount
Equity share capital as at April 1, 2017	113.36
Change during the year	-
Total	113.36
Less:	
Investment in BHL Security Trust and ESOP Trust	(3.29)
Equity share capital as at March 31, 2018	110.07

Particulars	Amount
Equity share capital as at April 1, 2018	113.36
Change during the year	-
Total	113.36
Less:	
Investment in BHL Security Trust and ESOP Trust	(3.29)
Equity share capital as at March 31, 2019	110.07

B Other equity

₹ Crore

Particulars	Reserves and surplus						Item of other comprehensive income		Total
	Retained earnings	Capital redemption reserve	Securities premium	General reserve	Reserve for molasses storage tanks	Equity component of compound financial instrument	Gain /(loss) on Investment through FVOCI	Actuarial gain / (loss)on employee benefit plans through OCI	
As at April 01, 2017	(610.41)	0.05	4,185.31	155.95	2.66	135.78	(24.77)	(11.13)	3,833.44
Profit for the period	(423.19)	-	-	-	-	-	-	-	(423.19)
Other comprehensive income for the year	-	-	-	-	-	-	(36.04)	2.82	(33.22)
Transfer to molasses storage fund	(0.32)	-	-	-	0.32	-	-	-	-
Transfer to general reserve from molasses storage fund	-	-	-	0.10	(0.10)	-	-	-	-
Addition during the year in equity component of compound financial instrument	-	-	-	-	-	10.76	-	-	10.76
As at March 31, 2018	**(1,033.92)**	**0.05**	**4,185.31**	**156.05**	**2.88**	**146.54**	**(60.81)**	**(8.31)**	**3,387.79**
Profit for the period	(64.08)	-	-	-	-	-	-	-	(64.08)
Other comprehensive income for the year	-	-	-	-	-	-	(23.75)	(3.77)	(27.52)
Transfer to molasses storage fund	(1.18)	-	-	-	1.18	-	-	-	-
Utilisation of fund for maintenance of Molasses tank	-	-	-	-	(1.21)	-	-	-	(1.21)
As at March 31, 2019	**(1,099.18)**	**0.05**	**4,185.31**	**156.05**	**2.85**	**146.54**	**(84.56)**	**(12.08)**	**3,294.98**

As per our Report of even date

For Chaturvedi & Shah LLP
Firm Registration No.101720W/W100355
Chartered Accountants

Lalit R. Mhalsekar
Partner
Membership No. 103418

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Chief Financial Officer
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Independent Director
DIN: 00025409

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Independent Director
DIN: 06985276

Shalu Bhandari
Independent Director
DIN: 00012556

Mumbai, May 22, 2019

Notes forming part of financial statements

1 Corporate information

Bajaj Hindusthan Sugar Limited ('the Company') is a public limited company incorporated in India under the provisions of the Companies Act and its shares are listed on BSE Ltd. and National Stock Exchange of India Ltd. The registered office of the Company is situated at Golagokarannath, Lakhimpur-Kheri, District Kheri, Uttrar Pradesh – 262 802 and its principal place of business is at TC-13, Vibhuti Khand, Gomti Nagar, Lucknow – 226 010. The Company is engaged in the manufacture of sugar, alcohol and generation of power.

The Standalone financial statements of the Company are for the year ended March 31, 2019 and are prepared in Indian Rupees being the functional currency. The values in Indian Rupees are rounded to crore, except otherwise indicated.

2 Accounting policies

2.01 Basis of preparation and presentation

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for :

i. Certain financial assets and liabilities measured at fair value,

ii. Defined benefit plans - plan assets measured at fair value.

The financial statements of the Company have been prepared to comply with the Indian Accounting Standards ('Ind AS') notified under Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013.

2.02 Standard issued but not yet effective

i) Ind AS 116 Leases : On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of profit & loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The standard permits two possible methods of transition:

- Full retrospective – Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- Modified retrospective – Retrospectively, with the cumulative effect of initially applying the Standard recognised at the date of initial application.

Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as:

(a) Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application, or

(b) An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognised under Ind AS 17 immediately before the date of initial application.

Certain practical expedients are available under both the methods.

On completion of evaluation of the effect of adoption of Ind AS 116, the Company is proposing to use the 'Modified Retrospective Approach' for transitioning to Ind AS 116, and take the cumulative adjustment to retained earnings, on the date of initial application (April 1, 2019). Accordingly, comparatives for the year ended March 31, 2019 will not be retrospectively adjusted. The Company has elected certain available practical expedients on transition.

ii) **Ind AS 12 Appendix C,** Uncertainty over Income Tax Treatments : On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition - i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and ii) Retrospectively with cumulative effect of initially applying Appendix C recognised by adjusting equity on initial application, without adjusting comparatives.

The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Company will adopt the standard on April 1, 2019 and has decided to adjust the cumulative effect in equity on the date of initial application i.e. April 1, 2019 without adjusting comparatives.

The effect on adoption of Ind AS 12 Appendix C would be insignificant in the standalone financial statements. Amendment to Ind AS 12 – Income taxes : On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes.

The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the standalone financial statements.

iii) Amendment to Ind AS 19 – Plan amendment, curtailment or settlement – On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements.

"The amendments require an entity:

to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling."

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company does not have any impact on account of this amendment.

Summary of significant accounting policies

2.03 Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is treated as current when it is:

i) expected to be realised or intended to be sold or consumed in normal operating cycle;

ii) held primarily for the purpose of trading;

iii) expected to be realised within twelve months after the reporting period;

iv) cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period; or

v) carrying current portion of non-current financial assets.

All other assets are classified as non-current.

A liability is current when:

i) it is expected to be settled in normal operating cycle;

ii) it is held primarily for the purpose of trading;

iii) it is due to be settled within twelve months after the reporting period;

iv) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period; or

v) it includes current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

2.04 Operating cycle

All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle and other criteria set out above which are in accordance with Schedule III to the Act. Based on the nature of services and time between the acquisition of assets for providing of services and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current / non-current classification of assets and liabilities.

2.05 Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes purchase price, taxes and duties, labour cost and direct overheads for self-constructed assets and other direct costs incurred up to the date the asset is ready for its intended use. In case of land, Company has opted to state fair value as deemed cost on date of transition to Ind AS, When significant parts of property, plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major refurbishment is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

Expenditure during construction period incurred on the projects under implementation are treated as pre-operative expenses pending allocation to the assets, and are included under "Work-in-Progress". These expenses are apportioned to fixed assets on commencement of commercial production. Capital Work-in-Progress is stated at the amount incurred up to the date of Balance Sheet.

Depreciation on property, plant and equipment is provided on straight line method and based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013 except, leasehold and improvements which are amortised over the lower of estimated useful life or lease period; on assets acquired under finance lease depreciation is provided over the lease term. Depreciation on assets added, sold or discarded during the year is provided on pro rata basis.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. Gains or losses arising from de-recognition of a property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is de-recognised.

2.06 Leases

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease. Assets acquired under leases other than finance leases are classified as operating leases. The total lease rentals (including scheduled rental increases) in respect of an asset taken on operating lease are charged to the statement of profit and loss on a straight line basis over the lease term unless another systematic basis is more representative of the time pattern of the benefit. Initial direct costs incurred specifically for an operating lease are deferred and charged to the statement of profit and loss over the lease term. Assets given by the Company under operating lease are included in fixed assets. Lease income from operating leases is recognised in the statement of profit and loss on a straight line basis over the lease term unless another systematic basis is more representative of the time pattern in which benefit derived from the leased asset is determined. Costs, including depreciation, incurred in earning the lease income are recognised as expenses. Initial direct costs incurred specifically for an operating lease are deferred and recognised in the statement of profit and loss over the lease term in proportion to the recognition of lease income.

2.07 Intangible assets

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation/ depletion and impairment loss, if any. The cost comprises purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

Computer software are amortised over a period of 5 years. The amortisation period and the amortisation method for intangible assets with a finite useful life are reviewed at each reporting date.

2.08 Research & Development Expenditure

Revenue expenditure on Research is expensed out in the statement of profit and loss for the year. Development costs of products are charged to the statement of profit and loss unless a product's technological and commercial feasibility has been established, in which case such expenditure is capitalised. Capital expenditure on research and development is shown as an addition to fixed assets.

2.09 Borrowing Cost

Borrowing costs include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are charged to the profit and loss statement in the period in which they are incurred.

2.10 Inventories

i) Stock of raw materials is valued at cost or net realisable value whichever is lower. Cost is arrived at on FIFO Basis.

ii) Stock of materials-in-process and finished goods are valued at cost or net realisable value whichever is lower.

iii) Stores, spares and packing material are valued at cost. Cost is arrived at on Weighted Average Basis.

iv) Obsolete stores and spares when identified and technically determined, are valued at estimated realisable value.

v) By-products - Molasses and bagasse has been valued at estimated realisable value.

vi) Trial run inventories are valued at cost or estimated realisable value whichever is lower.

2.11 Earnings per share

Basic EPS is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the year.

2.12 Impairment of non-financial assets

The carrying amount of any property, plant and equipment and intangible assets with finite lives are reviewed at each balance sheet date, if there is any indication of impairment based on internal / external factors. An asset is impaired when the carrying amount of the asset exceeds the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. An impairment loss is charged to the statement of profit and loss in the year in which an asset is identified as impaired. An impairment loss recognised in prior accounting periods is reversed if there has been change in the estimate of the recoverable amount. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

2.13 Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2.14 Employee benefits

i) Short-term employee benefits:

Short-term employee benefits are recognised as expenditure at the undiscounted value in the statement of profit and loss of the year in which the related service is rendered.

ii) Post-employment benefits :

Defined contribution plans: Company's contribution to the superannuation scheme, provident fund scheme and pension under employees' pension scheme etc. are recognised during the year in which the related service is rendered. Monthly contributions are made to a trust administered by the Company. The interest rate payable by the trust to the beneficiaries is notified by the Government. The Company has an obligation to make good the shortfall, if any, between the return on the investments of the trust and the notified interest rate.

Defined benefit plans - gratuity: Gratuity liability is covered under the gratuity-cum-insurance policy of Life Insurance Corporation of India (LIC) administered by trust. The present value of the obligation is determined based on an actuarial valuation, using the projected unit credit method. Actuarial gains and losses in respect of post-employment and other long-term benefits are charged to the Other Comprehensive Income. The amount funded by the trust administered by the Company under the aforesaid Policy, is reduced from the gross obligation under the defined benefit plan, to recognise the obligation on a net basis.

iii) Long-term compensated absences are provided on the basis of actuarial valuation.

iv) Compensation to employees under Voluntary Retirement Scheme is charged to statement of profit and loss account in the year of accrual.

2.15 Taxation

i) Provision for current tax is made with reference to taxable income computed for the accounting period for which the financial statements are prepared by applying the tax rates and laws that are enacted or substantively enacted at the Balance sheet date. The tax is recognised in statement of profit and loss, except to the extent that it relates to items recognised in the other comprehensive income (OCI) or in other equity. In this case, the tax is also recognised in other comprehensive income and other equity.

ii) Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period. Deferred tax asset on unabsorbed depreciation and carried forward losses is recognised only to the extent of deferred tax liability.

iii) Credit of MAT is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the statement of profit and loss account and shown as MAT credit entitlement. The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

2.16 Cash and cash equivalents

Cash and cash equivalents includes cash in hand and deposits with any qualifying financial institution repayable on demand or maturing within three months from the date of acquisition and which are subject to an insignificant risk of change in value.

2.17 Foreign currencies

i) Foreign currency transactions are recorded at the rates of exchange prevailing on the date of transaction. Monetary foreign currency assets and liabilities outstanding at the close of the financial year are revalued at the exchange rates prevailing on the balance sheet date. Exchange differences arising on account of fluctuation in the rate of exchange is recognised in the statement of profit and loss. However, in respect of long-term foreign currency monetary items taken prior to April 1, 2015 being the date of transition to Ind AS, the exchange difference relating to acquisition of capital assets, has been adjusted to the capital assets.

ii) Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or statement of profit and loss are also recognised in OCI or statement of profit and loss, respectively).

2.18 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment, including excise duty and excluding taxes or duties collected on behalf of the government (other than excise duty).

Revenue is recognised only if following condition are satisfied:

- The Company has transferred risks and rewards incidental to ownership to the customer;
- The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- It is probable that the economic benefit associated with the transaction will flow to the Company; and
- It can be reliably measured and it is reasonable to expect ultimate collection.

The revenue from sale of renewable energy certificates (REC) recognised in the year of sale.

Export incentives accrued under foreign trade policy are accounted for in the year of export.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividend income is recognised when the right to receive payment is established.

2.19 Government grants

The Government grants such as capital subsidies under Sugar Promotion Policy, 2004, interest free or concessional interest rate loans and subsidies related to sugar cane purchased are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When

the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to statement of profit and loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments. When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to the financial liabilities.

2.20 Financial Instruments

i) Financial assets

A Initial recognition

The Company classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement. Financial instruments are recognised when the group becomes a party to the contractual provisions of the instrument. Financial instruments are recognised initially at fair value plus transactions costs that are directly attributable to the acquisition or issue of the financial instrument, except for financial assets at fair value through statement of profit and loss, which are initially measured at fair value, excluding transaction costs (which is recognised in statement of profit and loss).

B Subsequent measurement

a) **Financial assets carried at amortised cost (AC)**

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) **Financial assets at fair value through other comprehensive income (FVTOCI)**

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c) **Financial assets at fair value through statement of profit and loss (FVTPL) Equity instruments**

All equity investments in scope of Ind AS 109 are measured at fair value either as at FVTOCI or FVTPL. The Company makes such election on instrument-by-instrument basis.

For equity instruments measured as at FVTOCI, all fair value changes on the instrument, excluding dividends, are recognised in the OCI. Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the P&L.

Investment in subsidiaries and associates

Investment in subsidiaries and associates are carried at cost

Treasury shares

The Company has created a Securities Trust that holds the equity shares of the Company, which were allotted to the Trust in 2010 pursuant to the Scheme of amalgamation of its erstwhile subsidiary Bajaj Hindusthan Sugar and Industries Ltd. The Company uses Trust as a separate vehicle under the said scheme and treats as its extension and shares held by Trust are treated as treasury shares. The own equity shares that reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in statement of profit and loss on the purchase, sale, issue or cancellation of the Company's own equity shares. Corresponding amount of security premium is reduced from other equity.

d) **Impairment of financial assets**

The Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

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

2. Financial assets that are debt instruments and are measured as at FVTOCI
3. Lease receivables
4. Trade receivables or any contractual right to receive cash or another financial asset
5. Loan commitments which are not measured as at FVTPL
6. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables; and all lease receivables.

The application of simplified approach does not require the Company to track changes in credit risk rather; it recognises impairment loss allowance based on 12 months ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ii) Financial liabilities

A Initial recognition and measurement

All financial liabilities are recognised initially at fair value and in case of loans and borrowings and payables, net of directly attributable cost. Fees of recurring nature are directly recognised in statement of profit and loss as finance cost.

B Subsequent measurement

Financial liabilities are subsequently carried at amortised cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

a) **Loans and borrowings**

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in statement of profit and loss when liabilities are derecognised. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance cost in the statement of profit and loss.

b) **Compound financial instruments**

At the issue date the, fair value of the liability component of a compound instrument is estimated using the market interest rate for a similar non-convertible instrument. This amount is recorded as a liability at amortised cost using the effective interest method until extinguished upon conversion or at the instrument's redemption date. The equity component is determined as the difference of the amount of the liability component from the fair value of the instrument. This is recognised in equity, net of income tax effects, and is not subsequently re-measured.

iii) De-recognition of financial instruments

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for de-recognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognised from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

iv) Fair value of financial instruments

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices. All methods of assessing fair value result in general approximation of value, and such value may vary from actual realisation on future date.

v) Derivative financial instruments

Derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial

assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to statement of profit and loss, except for the effective portion of cash flow hedges which is recognised in Other Comprehensive Income and later to statement of profit or loss when the hedge item effects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial assets or non-financial liability.

2.21 Non-current assets held for sale / distribution to owners and discontinued operations

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less cost to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the assets (or disposal group) to fair value less cost to sell. A gain is recognised for any subsequent increases in fair value less cost to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

Non-current assets (including that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of profit and loss.

2.22 Critical estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

i) Depreciation and useful lives of property, plant and equipment

Property, plant and equipment are depreciated over the estimated useful lives of the assets, after taking into account their estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation for future periods is adjusted if there are significant changes from previous estimates.

ii) Recoverability of trade receivable

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

iii) Provisions

Provisions and liabilities are recognised in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

iv) Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where

the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transaction are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

v) Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward-looking estimates at the end of each reporting period.

vi) Fair value measurement of financial instruments

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

vii) Recognition of Minimum Alternative Tax (MAT) as an asset

Minimum Alternative Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period; in the year in which the MAT credit becomes eligible to be recognised as an asset. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

viii) Material uncertainty about going concern

In preparing financial statements, management has made an assessment of Company's ability to continue as a going concern. Financial statements are prepared on a going concern basis. The Management is aware, in making its assessment, of material uncertainties related to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern. Further details on going concern are disclosed in Note No.47

3 Property, plant and equipment

₹ Crore

Sr. No.	DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Particulars	As at April 01, 2018	Additions	Deductions & Adjustments	**As at March 31, 2019**	As at April 01, 2018	For the year	Deductions & Adjustments	**Up to March 31, 2019**	**As at March 31, 2019**	As at March 31, 2018
(A)	**TANGIBLE ASSETS :**										
1	Freehold Land	3,713.30	-	1.77	**3,711.53**	-	-	-	**-**	**3,711.53**	3,713.30
2	Leasehold Land	1.02	-	-	**1.02**	0.27	0.03	-	**0.30**	**0.72**	0.75
3	Buildings	1,275.97	1.92	0.06	**1,277.83**	303.80	29.08	0.01	**332.87**	**944.96**	972.17
4	Plant & Machinery	5,393.09	65.21	0.85	**5,457.45**	2,619.89	175.13	0.44	**2,794.58**	**2,662.87**	2,773.20
5	Furniture, Fixtures & Office Equipments	46.77	0.40	0.20	**46.97**	42.21	1.20	0.19	**43.22**	**3.75**	4.56
6	Vehicles & Aircraft	131.49	0.45	1.99	**129.95**	59.71	5.89	1.90	**63.70**	**66.25**	71.78
	Total (A)	10,561.64	67.98	4.87	**10,624.75**	3,025.88	211.33	2.54	**3,234.67**	**7,390.08**	7,535.76
(B)	**INTANGIBLE ASSETS :**										
7	Computer Software	0.02	-	-	**0.02**	0.02	-	-	**0.02**	**0.00**	0.00
	Total (B)	0.02	-	-	**0.02**	0.02	-	-	**0.02**	**0.00**	0.00
	Total (A) + (B)	10,561.66	67.98	4.87	**10,624.77**	3,025.90	211.33	2.54	**3,234.69**	**7,390.08**	7,535.76
	Previous Year Total	10,559.09	5.07	2.50	**10,561.66**	2,830.92	196.91	1.93	3,025.90	7,535.76	7,728.17
(C)	**CAPITAL WORK IN PROGRESS :**	65.79	18.63	67.86	**16.56**				-	**16.56**	65.79
	Grand Total (A+B+C)	**10,627.45**	**86.61**	**72.73**	**10,641.33**	**3,025.90**	**211.33**	**2.54**	**3,234.69**	**7,406.64**	7,601.55
	Previous Year Grand Total	10,595.14	39.79	7.48	10,627.45	2,830.92	196.91	1.93	3,025.90	7,601.55	

₹ Crore

Sr. No.	DESCRIPTION Particulars	GROSS BLOCK As at April 01, 2017	Additions	Deductions & Adjustments	As at March 31, 2018	DEPRECIATION As at April 01, 2017	For the year	Deductions & Adjustments	As at March 31, 2018	NET BLOCK As at March 31, 2018	As at April 01, 2017
(A)	**TANGIBLE ASSETS :**										
1	Freehold Land	3,713.30	-	-	**3,713.30**	-	-	-	**-**	**3,713.30**	3,713.30
2	Leasehold Land	1.02	-	-	**1.02**	0.23	0.03	(0.01)	**0.27**	**0.75**	0.79
3	Buildings	1,275.11	0.87	0.01	**1,275.97**	275.35	28.45	-	**303.80**	**972.17**	999.76
4	Plant & Machinery	5,389.84	3.30	0.05	**5,393.09**	2,458.89	161.03	0.03	**2,619.89**	**2,773.20**	2,930.95
5	Furniture, Fixtures & Office Equipments	46.09	0.80	0.12	**46.77**	41.20	1.13	0.12	**42.21**	**4.56**	4.89
6	Vehicles & Aircraft	133.71	0.10	2.32	**131.49**	55.23	6.27	1.79	**59.71**	**71.78**	78.48
	Total (A)	10,559.07	5.07	2.50	**10,561.64**	2,830.90	196.91	1.93	**3,025.88**	**7,535.76**	7,728.17
(B)	**INTANGIBLE ASSETS :**										
7	Computer Software	0.02	-	-	**0.02**	0.02	-	-	**0.02**	**0.00**	0.00
	Total (B)	0.02	-	-	**0.02**	0.02	-	-	**0.02**	**0.00**	0.00
	Total (A) + (B)	10,559.09	5.07	2.50	**10,561.66**	2,830.92	196.91	1.93	**3,025.90**	**7,535.76**	7,728.17
	Previous Year Total	10,558.50	5.82	5.23	10,559.09	2,621.34	214.12	4.54	2,830.92	7,728.17	7,937.16
(C)	**CAPITAL WORK IN PROGRESS :**	36.05	34.72	4.98	**65.79**				**-**	**65.79**	36.05
	Grand Total (A+B+C)	**10,595.14**	**39.79**	**7.48**	**10,627.45**	**2,830.92**	**196.91**	**1.93**	**3,025.90**	**7,601.55**	7,764.22
	Previous Year Grand Total	10,577.24	28.94	11.04	10,595.14	2,621.34	214.12	4.54	2,830.92	7,764.22	

Notes:

(i) Assets pledged as security refer Note No. 17.3

		As at March 31, 2019 ₹ Crore	As at March 31, 2018 ₹ Crore
4	**Non-current investments**		
	Trade investments		
	Investment classified at cost		
	In Equity Shares of Subsidiary companies		
	Unquoted, fully paid up		
	2,70,01,000 (2,70,01,000) Shares of Bajaj Hindusthan (Singapore) Private Ltd., Singapore of S$ 1/- each	**92.32**	92.32
	50,00,000 (50,00,000) Shares of Bajaj Aviation Private Ltd. of ₹ 10/- each	**5.00**	5.00
	20,000 (20,000) Shares of Bajaj Power Generation Pvt. Ltd. of ₹10/- each	**0.02**	0.02
		97.34	97.34
	In Equity Shares of Associate companies		
	Unquoted, fully paid up		
	11,48,400 (11,48,400) Shares of Bajaj Ebiz Pvt. Ltd. of ₹10/- each	**1.15**	1.15
	Less: Provision for diminution in value of investments	**(1.15)**	(1.15)
		-	-
	9,000 (9,000) Shares of Esugarindia Ltd. of ₹10/- each	**0.01**	0.01
	Less: Provision for diminution in value of investments	**(0.01)**	(0.01)
		-	-
	Total Trade Investments	**97.34**	97.34
	Non-trade investments		
	Investments classified at fair value through other comprehensive income		

	As at March 31, 2019 ₹ Crore	As at March 31, 2018 ₹ Crore
In Equity Shares of other companies		
Unquoted, fully paid up		
1,54,39,900 (1,54,39,900) Shares of Lalitpur Power Generation Company Ltd. of ₹10/- each	**-**	770.13
	-	770.13
In Preference Shares of other company		
Unquoted, fully paid up		
3,50,03,927 (3,50,03,927) 6% Redeemable Non Cumulative Non Convertible Preference Shares of Phenil Sugars Ltd. of ₹ 100/- each	**350.04**	350.04
Less: Provision for diminution in value of investments	**(350.04)**	(350.04)
	-	-
In Debentures of other company		
Unquoted, fully paid up		
3,70,48,321 (3,70,48,321) Zero Coupon Optionally Convertible Debentures of Phenil Sugars Ltd. of ₹100/- each	**370.48**	370.48
Less: Provision for diminution in value of investments	**(216.55)**	(182.03)
	153.93	188.45
Total non-trade investments	**153.93**	958.58
	251.27	1,055.92
Aggregate value of unquoted investments	**251.27**	1,055.92
Categorywise non-current investments		
Financial assets measure at cost	**97.34**	97.34
Financial assets measure at fair value through other comprehensive income	**153.93**	958.58
Total non-current investments	**251.27**	1,055.92

5 Other non-current financial assets

(Unsecured considered good)		
Fixed deposits*	**3.99**	2.35
	3.99	2.35

* Having maturity after 12 months from the reporting date and earmarked ₹3.99 crore (P.Y. ₹ 2.35 crore) for specific purposes.

6 Other non-current assets

(Unsecured considered good unless otherwise stated)		
Taxes paid under protest	**5.65**	5.81
Security deposit to related parties (refer Note 40)	**5.04**	5.03
Security deposits - Good	**2.28**	2.75
Security deposits - Doubtful	**0.30**	-
Provision for bad and doubtful - Security deposit	**(0.30)**	-
	-	-
	12.97	13.59

		As at March 31, 2019 ₹ Crore	As at March 31, 2018 ₹ Crore
7	**Inventories**		
	(At cost or net realisable value whichever is lower, unless otherwise stated)		
	Raw materials	**6.36**	5.36
	Stores, spares & packing materials	**84.29**	61.77
	Finished goods	**2,516.90**	2,655.03
	By-products	**101.25**	70.72
	Work-in-process	**56.18**	55.00
		2,764.98	2,847.88
	- Includes inventories of ₹1,754.02 crore (P.Y. ₹ 2,591.14 crore) carrying at fair value less than cost to sale		
	- Inventories pledged as a securities - refer Note 17.3		
8	**Current Investments**		
	Investments classified at fair value through other comprehensive income		
	In Equity Shares of other companies		
	Unquoted, fully paid up		
	1,54,39,900 (1,54,39,900) Shares of Lalitpur Power Generation Company Ltd. of ₹10/- each#	**770.13**	-
		770.13	-
	# These investments are pledged against loans taken by Company and Lalitpur Power Generation Company Limited.		
9	**Trade receivables**		
	(Unsecured considered good unless otherwise stated)		
	Considered good	**206.05**	192.43
	Considered doubtful	**34.30**	20.62
	Less : Provision for doubtful debts	**(34.30)**	(20.62)
		-	-
		206.05	192.43
10	**Cash and cash equivalents**		
	Balance with banks :		
	Current account	**30.52**	30.63
	Cheques, draft on hand	**17.04**	0.12
	Cash on hand	**0.54**	0.53
		48.10	31.28
11	**Bank balances**		
	Balance with banks (unpaid dividend)	**0.20**	0.37
	Fixed deposits (maturity within 12 months)*	**11.22**	23.02
		11.42	23.39
	* Includes ₹10.52 crore (P.Y. ₹ 21.97 crore) earmarked for specific purposes		
12	**Loans and interest accrued**		
	(Considered good unless otherwise stated)		
	Loans & advances to related parties (refer Note 40)	**907.29**	906.92
	Loans & advances to others - good	**318.50**	318.50
	- doubtful	**2.29**	2.29
	- Sub total	**1,228.08**	1,227.71
	Less:- Provision for doubtful loans & advances	**(2.29)**	(2.29)
		1,225.79	1,225.42
	Interest receivable on loans - related parties (refer Note 40)	**727.43**	621.10
	Interest receivable on loans - others	**193.36**	155.52
	Total*	**2,146.58**	2,002.04

	As at March 31, 2019 ₹ Crore	As at March 31, 2018 ₹ Crore
***Out of above:**		
Secured by pledge of investment - Related Party	**1,579.43**	1,476.00
Secured by pledge of investment - Others	**511.86**	474.02
Unsecured - Related Party	**55.29**	52.02
Unsecured - Others	**2.29**	2.29
	2,148.87	2,004.33

12.1 **Disclosure as per clause 34(3) and Schedule V of SEBI (Listing Obligations and Disclosure Requirement) Regulation, 2015.**

a) Loans and advances given to subsidiaries and associates:

₹ Crore

Name of Subsidiary/Associate companies	Amount outstanding including Interest		Maximum balance outstanding including interest during the year	
	March 31, 2019	March 31, 2018	**March 31, 2019**	March 31, 2018
Bajaj Aviation Pvt. Ltd. (Subsidiary)	**43.00**	40.10	**43.00**	40.10
Bajaj Hindusthan (Singapore) Private Ltd. (Subsidiary)	**12.29**	11.92	**12.29**	11.92
Bajaj Power Generation Pvt. Ltd. (Subsidiary)	**1,579.43**	1,476.00	**1,579.43**	1,476.00
	1,634.72	1,528.02		

Notes:-
Loans and advances shown above are given for business purposes.

b) Investments by the loanees in the shares of Subsidiaries:

Particulars	No. of Shares	As at March 31, 2019 ₹ Crore	No. of Shares	As at March 31, 2018 ₹ Crore
Investment by Bajaj Hindusthan (Singapore) Private Ltd. in equity shares of -				
PT. Batu Bumi Persada, Indonesia (Step down subsidiary)	49,500	**24.27**	49,500	26.46
PT. Jangkar Prima, Indonesia (Step down subsidiary)	49,500	**56.90**	49,940	62.34

	As at March 31, 2019 ₹ Crore	As at March 31, 2018 ₹ Crore
13 Current tax assets (net)		
Advance income tax (net of provisions)		
At the start of year	**4.41**	21.63
Charged during the year	**1.88**	0.62
Refund received during the year	**(2.61)**	(17.85)
Others	**0.08**	0.01
At the end of year	**3.76**	4.41

There is no current tax liabilities on the Company due to losses incurred in current year and earlier years, therefore, disclosure reconciliation of income tax expenses with accounting profit is not given.

	As at March 31, 2019 ₹ Crore	As at March 31, 2018 ₹ Crore
14 Other current assets		
(Unsecured considered good)		
MAT credit entitlement	**79.44**	79.44
Receivable under SPP (refer Note 46)	**592.38**	589.91
Claims/refund recoverable in cash or in kind or for value to be received	**14.58**	54.03
Duty drawback receivable	**0.09**	0.77
Other advances* - Good	**93.32**	93.67
- Doubtful	**0.88**	-
	780.69	817.82
Less: Provision for doubtful advances	**(0.88)**	-
	779.81	817.82

***** Includes advances given to suppliers, vendors and employees and other advances recoverable in cash or in kind

15 Equity share capital		
Authorised:		
5,00,00,00,000 (5,00,00,00,000 Equity Shares of ₹ 1/- each)	**500.00**	500.00
	500.00	500.00
Issued:		
1,17,92,31,364 (1,17,92,31,364) Equity Shares of ₹ 1/- each	**117.92**	117.92
	117.92	117.92
Subscribed and Paid-up:		
1,13,35,59,942 (1,13,35,59,942) Equity Shares of ₹ 1/- each	**113.36**	113.36
	113.36	113.36
Less:		
Interest in BHL Securities Trust 3,11,00,000 (3,11,00,000) Equity Shares of ₹ 1/- (refer Note v)	**3.11**	3.11
Share held by ESOP Trust 17,80,000 (17,80,000) Equity Shares of ₹ 1/- (refer Note v)	**0.18**	0.18
	3.29	3.29
	110.07	110.07

(ii) Details of shares allotted without payment being received in cash during five years immediately preceding the Balance Sheet date are given below:

49,41,60,031 (49,41,60,031) Equity Shares have been issued for consideration other than cash to lender banks on conversion of Funded Interest Term Loan (FITL) as per Master Restructuring Agreement (MRA) during F.Y. year 2015-16 and 2016-17.

(ii) The reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year:-

Particulars	As at March 31, 2019 No. of Shares	As at March 31, 2018 No. of Shares
Equity Shares (with voting rights) at the beginning of the year	**1,13,35,59,942**	1,13,35,59,942
Equity Shares at the end of the year	**1,13,35,59,942**	1,13,35,59,942

(iii) Terms/rights of equity shares:-

The Company has one class of equity shares having par value of ₹ 1/- per share. All equity shares are ranking pari passu in all respects including dividend. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive the realised value of the assets of the Company, remaining after payment of all preferential dues. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iv) The details of Shareholders holding more than 5% shares:-

		As at March 31, 2019		As at March 31, 2018	
S. No.	**Name of Shareholders**	**No. of Shares**	**% held**	No. of Shares	% held
1.	Bajaj Resources Ltd.	**8,19,44,455**	**7.23%**	8,19,44,455	7.23%
2.	Punjab National Bank	**8,52,25,312**	**7.52%**	8,52,25,312	7.52%
3.	IDBI Bank Limited	**6,36,67,200**	**5.62%**	6,36,67,200	5.62%
4.	Allahabad Bank	**6,29,28,861**	**5.55%**	6,29,28,861	5.55%
5.	Central Bank of India	**5,66,86,905**	**5.00%**	5,66,86,905	5.00%

(v) Company hold beneficial interest in BHL Security Trust which holds 3.11 crore shares of the Company allotted on amalgamation of its subsidiary Bajaj Hindusthan Sugar and Industries Limited in 2010. Company has also formed ESOP trust under the ESOP scheme. Company has an advance ₹ 8.69 crore to ESOP Trust which hold 0.18 crore equity shares. Face value of these shares are treated as treasury shares as per Ind AS 32 – Financial Instruments – Presentation and shown as reduction from equity. Excess of carrying value of these shares over the face value are reduced from securities premium.

		As at March 31, 2019 ₹ Crore	As at March 31, 2018 ₹ Crore
16	**Other equity**		
	Capital redemption reserve		
	Opening balance	**0.05**	0.05
	Closing balance	**0.05**	0.05
	Securities premium		
	Opening balance	**4,185.31**	4,185.31
	Closing balance	**4,185.31**	4,185.31
	Equity component of compound financial instrument		
	Opening balance	**146.54**	135.78
	During the year	**-**	10.76
	Closing balance	**146.54**	146.54
	General reserve		
	Opening balance	**156.05**	155.95
	Transferred from reserve for molasses storage tanks	**-**	0.10
	Closing balance	**156.05**	156.05
	Reserve for molasses storage tanks		
	Opening balance	**2.88**	2.66
	Transferred from statement of profit & loss	**1.18**	0.32
	Utilisation of fund for maintenance of molasses tank	**(1.21)**	(0.10)
	Closing balance	**2.85**	2.88
	Gain / (loss) on Investment through FVOCI		
	Opening balance	**(60.81)**	(24.77)
	Change in during the year	**(23.75)**	(36.04)
	Closing balance	**(84.56)**	(60.81)

	As at March 31, 2019 ₹ Crore	As at March 31, 2018 ₹ Crore
Actuarial gain / (loss) on employee benefit plans		
Opening balance	**(8.31)**	(11.13)
Change in during the year	**(3.77)**	2.82
Closing balance	**(12.08)**	(8.31)
Statement of profit and loss (retained earnings)		
Opening balance	**(1,033.92)**	(610.41)
Profit/(loss) for the year	**(64.08)**	(423.19)
Appropriations		
Transferred to reserve for molasses storage tanks	**(1.18)**	(0.32)
Closing balance	**(1,099.18)**	(1,033.92)
	3,294.98	3,387.79

Nature and description of reserve:

- Capital Redemption Reserve: Whenever company redeems its preference shares or buys its own shares which reduces its share capital, then capital redemption reserve is created by face value of its shares.
- Securities Premium Reserve: The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve.
- General Reserve: General Reserve was created by transferring a portion of the net profit of the Company as per the requirements of the Companies Act, 2013.
- Molasses Storage Reserve Fund is created as per provisions under Molasses Control (Regulation of Fund and Erection of Storage Facilities) Order, 1976.
- Retained Earnings: Remaining portion of profits earned or accumulated losses by the Company till date after appropriations.

17 Non-current borrowings

(At amortised cost)		
From banks		
Secured Debentures (refer Note 17.1)	**3,483.25**	3,483.25
Secured Term Loan	**1,791.50**	2,306.22
	5,274.75	5,789.47
From related parties		
Unsecured	**105.15**	93.88
	105.15	93.88
From others		
Secured	**1.92**	8.80
Unsecured	**0.27**	0.27
	2.19	9.07
	5,382.09	5,892.42

17.1 34,83,24,626 (P.Y. 34,83,24,626) Unlisted, Unrated, Redeemable, Optionally Convertible Debentures (Series 1/ 2017-18) of ₹ 100/- each issued on Preferential basis to the lenders in accordance with S4A Scheme on December 18, 2017. Debentures are to be redeemed in 13 equal annual instalments starting from March 31, 2025. The coupon rate for year 1 & 2 is 0.01% p.a., for year 3 & 4 is 1.00% p.a. and thereafter 2.50% p.a. payable annually on the last date of every financial year. The redemption premium is payable on redemption of debentures to be decided by lenders at going weighted average interest cost, so that there is no NPV loss to the lenders.

On occurrence of event of default, lenders has the right to convert all outstanding debentures into equity shares at the conversion price to be determined in accordance with guidelines of RBI.

Due to losses incurred by the Company during the year, Debentures Redemption Reserve as required by Section 71 of the Companies Act 2013 has not been created.

17.2 Maturity profile of term loans are set out below :

₹ Crore

Name of banks/ financial institutions	Interest (%)	Outstanding as at 31.03.2019	Current Maturities (0-1 Year)	Maturity profile				
				2nd Year	3rd Year	4th Year	Beyond 4 Years	Refer Note No.
From banks								
Term loans secured	11.05% to 12%	2,424.04	632.54	488.88	434.38	434.38	433.86	17.3(i)
From others								
Sugar Development Fund (SDF)	4.00%-8.25%	8.80	6.88	1.92	-	-	-	17.3 (ii)
Total - Secured		**2,432.84**	**639.42**	**490.80**	**434.38**	**434.38**	**433.86**	

₹ Crore

Name of banks/ financial institutions	Interest (%)	Outstanding as at 31.03.2019	Current Maturities (0-1 Year)	Maturity profile				
				2nd Year	3rd Year	4th Year	Beyond 4 Years	Refer Note No.
Term loans (Unsecured) From related parties								
Loan from promoters - 1		103.71	-	-	-	-	103.71	17.4 (i)
Loan from promoters - 2		1.44	-	-	-	-	1.44	17.4 (ii)
Total - From related parties		105.15	-	-	-	-	105.15	
From others								
Department of Commercial Tax of Uttar Pradesh	Interest free	0.83	0.56	0.27	-	-	-	
Total - Unsecured		**105.98**	**0.56**	**0.27**	**-**	**-**	**105.15**	
Grand Total		**2,538.82**	**639.98**	**491.07**	**434.38**	**434.38**	**539.01**	**-**

17.3 Details of securities

(i) Term Loans and debentures from Banks are secured on first pari passu charge basis, by way of mortgage over all immovable fixed assets and hypothecation over all movable fixed assets (both present and future) of the Company, on first pari passu charge by way of hypothecation over all current assets (both present & future) of the Company. The said loans are further secured by personal guarantee of Managing Director (Promoter) and corporate guarantee by a promoter group company, pledge of entire shares held by the Promoters of the Company and 33,00,001 shares of Bajaj Energy Ltd. held by promoters group company.

(ii) The Sugar Development Fund loan (SDF) from Government of India is secured on exclusive second charge basis, by hypothecation of the whole of movable fixed assets and properties and by mortgage on the whole of immovable fixed assets and properties of the concerned sugar unit of the Company.

17.4 Loan from promoters

(i) As per terms of restructuring approved by lenders, the promoters are required to bring promoter contribution amounting to ₹ 200 crore in phased manner till September 2015 in the form of equity capital/preference capital/ unsecured loan/other similar instruments. An amount of ₹ 200 crore has been brought by promoters as unsecured loan within stipulated period. Interest if any, payable shall be determined after the restructuring period is completed. Presently, said amount is treated as unsecured loan with the option to convert into equity/preference or any other similar instrument. As per Ind AS 32, contribution amount received is classified as compound instrument bifurcated into ₹ 64.22 crore as debt and ₹ 135.78 crore as other equity by discounting the amount @12% p.a. for a tenure of 10 years. The unwinding of discount in subsequent periods on loan component is recognised in the statement of profit & loss.

(ii) As per the approved restructuring of loan under S4A Scheme, promoter/ promoters group has transferred 11,99,87,344 equity shares of ₹ 1/- per equity share to lenders as per overseeing committee recommendation as part payment of unsustainable debt. Consequently, the consideration amount of ₹ 11,99,87,344 is accounted as unsecured loan from promoters and as per Ind AS 32, said amount due to promoters as treated as compound financial instrument and bifurcated into other equity of ₹ 10.76 crore and ₹ 1.24 crore by discounting the amount @12% p.a. for a tenure of 20 years.

17.5 The principal of ₹ 126.75 crore on term loan are due on March 31, 2019. Paid during the month April 2019 and May 2019.

a) Details of delays and defaults in payment of financial obligations

Name of Institutions	Principal				Interest			
	No. of Days - Range		Amount (₹ in Crore) - Range		No. of Days - Range		Amount (₹ in Crore) - Range	
Bank	Min	Max	Min	Max	Min	Max	Min	Max
Allahabad Bank	4	37	0.27	8.69	1	50	0.05	1.93
Bank of Baroda	11	16	0.07	1.73	1	50	0.01	0.57
Bank of India	11	23	0.04	1.73	1	50	0.01	0.38
Bank of Maharashtra	4	30	0.20	4.35	1	50	-	0.97
Canara Bank	5	40	0.13	4.35	1	50	0.01	0.99
Central Bank of India	4	74	0.21	6.60	1	50	0.04	1.26
Corporation Bank	19	58	0.09	4.17	1	50	0.02	0.54
IDBI Bank Ltd	9	39	-	4.45	1	57	-	1.85
Indian Overseas Bank	13	25	0.06	2.62	1	50	0.01	0.64
Oriental Bank of Commerce	8	26	0.20	3.81	1	50	0.01	0.88
Punjab National Bank	5	58	0.44	12.28	1	50	0.08	2.96
State Bank of India	1	53	0.06	12.02	1	50	0.01	6.48
UCO Bank	19	31	0.58	3.90	1	51	0.04	0.91
Sugar Development Fund	27	58	0.19	0.35			-	-

b) Amount falling due within 31.03.2019 but paid subsequently (April and May 2019)

₹ Crore

	Principal			Interest		
Name of Institutions	**Outstanding**	**Paid Subsequently**	**Balance**	**Outstanding**	**Paid Subsequently**	**Balance**
Allahabad Bank	14.31	14.31	-	2.65	2.65	-
Bank of Baroda	3.46	3.46	-	0.65	0.65	-
Bank of India	2.04	2.04	-	0.42	0.42	-
Bank of Maharashtra	10.19	10.19	-	1.77	1.77	-
Canara Bank	6.93	6.93	-	1.21	1.21	-
Central Bank of India	9.82	9.82	-	1.92	1.92	-
Corporation Bank	4.04	4.04	-	0.83	0.83	-
IDBI Bank Ltd	8.96	8.96	-	1.69	1.69	-
Indian Overseas Bank	3.10	3.10	-	0.85	0.85	-
Oriental Bank of Commerce	10.94	10.94	-	1.68	1.68	-
Punjab National Bank	17.76	17.76	-	3.43	3.43	-
State Bank of India	30.72	30.72	-	5.57	5.57	-
UCO Bank	4.48	4.48	-	0.85	0.85	-
Total	126.75	126.75	-	23.52	23.52	-

		As at March 31, 2019 ₹ Crore	As at March 31, 2018 ₹ Crore
18	**Non-current provisions**		
	Gratuity	**31.21**	23.84
	Leave encashment	**22.54**	19.51
		53.75	43.35

		As at April 01, 2018 ₹ Crore	During the Year	**As at March 31, 2019 ₹ Crore**
19	**Deferred tax statements**			
	Deferred tax liabilities			
	Property, plant and equipment	803.50	(23.39)	**780.11**
	Fair valuation of property, plant and equipment	795.43	(2.31)	**793.12**
		1,598.93	(25.70)	**1,573.23**
	Deferred tax assets			
	Provision for employee benefits	16.63	3.76	**20.39**
	Provision for doubtful debts/advances	7.15	4.36	**11.51**
	Fair valuation of investments	152.89	10.77	**163.66**
	Carry forward losses and unabsorbed depreciation*	779.72	(31.51)	**748.21**
		956.39	(12.62)	**943.77**
	Deferred tax liabilities/(assets) (net)	642.54	(13.08)	**629.46**

***** Deferred tax assets on carry forward losses and unabsorbed depreciation is ₹ 1,067.65 crore. However, it is recognised to the extent of deferred tax liabilities other than arising on fair valuation of PPE on conservative basis

		As at March 31, 2019 ₹ Crore	As at March 31, 2018 ₹ Crore
20	**Other non-current liabilities**		
	Deposits from agents/customers/vendors	**21.74**	13.70
		21.74	13.70
21	**Current borrowings**		
	Loan from banks		
	Secured		
	Working capital loan	**-**	156.26
		-	156.26

Working capital loan from Banks are secured on first pari passu charge basis, by way of mortgage over all immovable fixed assets and hypothecation over all movable fixed assets (both present and future) of the Company, on first pari-passu charge by way of hypothecation over all current assets (both present & future) of the Company. The said loans are further secured by personal guarantee of Managing Director (Promoter) and corporate guarantee by a promoter group company, pledge of entire shares held by the Promoters of the Company.

		As at March 31, 2019 ₹ Crore	As at March 31, 2018 ₹ Crore
22	**Trade payables**		
	Micro and small enterprises	**0.67**	0.40
	Others	**4,161.25**	3,372.27
		4,161.92	3,372.67
	The details of amount outstanding to Micro and Small Enterprises based on available information with the Company are as under :		
	Particulars		
	The amounts remaining unpaid to micro and small suppliers as at the end of the year :		
	- Principal	**0.67**	0.40
	- Interest	**-**	-
	The amount of interest paid by the buyer as per the Micro Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006)	**-**	0.04
	The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting year:	**3.30**	2.97
	The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	**-**	-
	The amount of interest accrued and remaining unpaid at the end of each accounting year	**-**	-
	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006	**-**	-
23	**Other financial liabilities**		
	Current maturities of long-term borrowings (refer Note 17.2)	**639.98**	742.09
	Interest accrued but not due on borrowings	**0.21**	0.39
	Interest accrued and due on borrowings	**23.52**	30.47
	Unclaimed dividends #	**0.20**	0.37
		663.91	773.32
	# These figures do not include any amount due and outstanding to be credited to Investor Education and Protection Fund.		
	Interest of ₹ 23.52 crore (P.Y. ₹ 30.47 crore) on term loan for the month of March 2019 is due for payment as on the balance sheet date, which has been paid in April and May 2019		
24	**Other current liabilities**		
	Other payables*	**76.20**	190.60
		76.20	190.60
	***** Includes statutory dues, advances from customer and other liabilities		
25	**Current provisions**		
	Gratuity	**7.09**	5.83
	Leave encashment	**4.49**	4.11
		11.58	9.94
26	**Revenue from operations**		
	Sale of products	**6,683.34**	5,851.43
	Other operating revenues	**120.48**	86.95
		6,803.82	5,938.38

		As at March 31, 2019 ₹ Crore	As at March 31, 2018 ₹ Crore
26.1	**Particulars of sale of products**		
	Sugar	**5,986.52**	5,190.71
	Alcohol	**500.83**	462.40
	Power	**174.42**	159.58
	By-products	**21.57**	38.74
		6,683.34	5,851.43
26.2	**Particulars of other operating revenues**		
	Duty drawback and other export incentives	**0.02**	1.39
	Sale of scrap	**6.91**	5.09
	Others	**113.55**	80.47
		120.48	86.95
27	**Other income**		
	Gain due to foreign exchange fluctuation (net)	**0.25**	0.65
	Interest income	**148.08**	148.45
	Other non-operating income	**15.28**	17.83
		163.61	166.93
28	**Cost of materials consumed**		
	Opening stock	**5.36**	2.10
	Purchases	**5,659.63**	4,903.79
		5,664.99	4,905.89
	Less: Closing stock	**6.36**	5.36
	Cost of raw materials consumed	**5,658.63**	4,900.53
29	**Changes in Inventories of finished goods, by-products and work-in-progress**		
	Opening stock		
	Finished goods	**2,655.03**	2,718.21
	By-products	**70.72**	195.85
	Work-in-process	**55.00**	34.40
		2,780.75	2,948.46
	Less: Closing stock		
	Finished goods*	**2,516.90**	2,655.03
	By-products	**101.25**	70.72
	Work-in-process	**56.18**	55.00
		2,674.33	2,780.75
	Increase/(decrease) of excise duty on inventories	**-**	(170.31)
		106.42	(2.60)
	* Includes ₹ 97.07 crore (P.Y. ₹ 165.22 crore) towards the write down of inventories.		
30	**Excise duty paid on goods sold**		
	Excise duty	**-**	95.99
		-	95.99

	As at March 31, 2019 ₹ Crore	As at March 31, 2018 ₹ Crore
31 Employee benefits expense		
Salaries & wages	**248.79**	224.90
Contributions to provident and other funds	**23.67**	22.57
Employees' welfare expenses	**2.31**	1.63
	274.77	249.10

31.1 Liability for employee benefits has been determined by an actuary, appointed for the purpose, in conformity with the principles set out in the Ind AS 19, the details of which are as hereunder:

a. **Funded scheme - gratuity**		
Liability to be recognised in balance sheet		
Present value of funded obligations	**51.02**	42.98
Fair value of plan assets	**(12.72)**	(13.31)
Net liability / (asset)	**38.30**	29.67
Change in Plan Assets (reconciliation of opening & closing balances)		
Fair value of plan assets at the beginning	**13.31**	11.83
Expected return on plan assets	**1.02**	0.92
Actuarial gain / (losses)	**(0.05)**	0.10
Contributions	**1.38**	3.11
Benefits paid	**(2.94)**	(2.65)
Fair value of plan assets at the end	**12.72**	13.31
Actual return on plan assets		
Change in obligation (reconciliation of opening and closing balances)		
Defined benefit obligation at the beginning	**42.98**	39.54
Current service cost	**4.45**	3.94
Interest cost	**3.19**	2.96
Actuarial losses / (gain)	**3.34**	(0.82)
Benefits paid	**(2.94)**	(2.64)
Closing obligation	**51.02**	42.98
Expenditure to be recognised during the year		
Current service cost	**4.45**	3.94
Interest cost	**3.19**	2.96
Expected return on plan assets	**(1.02)**	(0.92)
Total expenses recognised in the statement of profit and loss	**6.62**	5.98
In Other comprehensive income		
Actuarial (Gain) / Loss - Plan Liabilities	**3.34**	(0.82)
Actuarial (Gain) / Loss - Return On Plan Assets	**0.05**	(0.10)
Net (Income) / Expense - For the period recognised in OCI	**3.39**	(0.92)
Investment Details		
Insurance Policies - Amount	**12.72**	13.31
- %	**100%**	100%
Assumptions		
Discount rate (per annum)	**7.70%**	7.75%
Expected rate of return on assets (per annum)	**7.70%**	7.75%
Salary escalation rate (per annum)	**6.00%**	6.00%

	As at March 31, 2019 ₹ Crore	As at March 31, 2018 ₹ Crore
Sensitivity		
Under base scenario	**51.02**	42.98
Salary escalation (up by 1%)	**54.81**	46.20
Salary escalation (down by 1%)	**47.62**	40.10
Withdrawal rates (up by 1%)	**51.37**	43.31
Withdrawal rates (down by 1%)	**50.64**	42.62
Discount rates (up by 1%)	**47.78**	40.21
Discount rates (down by 1%)	**54.68**	46.12

This is a defined benefit plan and statutory liability of the Company. The Company has to pay the Gratuity to the employees as per the provisions of The Payment of Gratuity Act 1972 irrespective of the availability of the funds with the Gratuity Fund.

The Gratuity Liability is computed on actuarial valuation basis done at year end using the Project Unit Credit Method is provided for in the books of account and is based on a detailed working done by a certified Actuary. Past service cost is recognised immediately to the extent that the benefits are already vested.

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

Company manages Gratuity obligation through Trust. Company arranges the fund based on the actuarial valuation and requirement of the Trust.

The expected contributions for Defined Benefit Plan for the next financial year will be in line with FY 2018-19.

These gratuity plan typically expose the Company to actuarial risks such as: investment risk, interest risk, longevity risk and salary risk.

Investment risk

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. For other defined benefit plans, the discount rate is determined by reference to market yield at the end of reporting period on high quality corporate bonds when there is a deep market for such bonds; if the return on plan asset is below this rate, it will create a plan deficit.

Interest risk

A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan debt investments.

Longevity risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk

The present value of the defined plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

b. **Unfunded scheme - earned leaves**

Present value of unfunded obligations	**27.04**	23.62
Expenses recognised in the statement of profit and loss	**3.05**	6.84
In Other comprehensive income		
Actuarial (Gain) / Loss - Plan Liabilities	**0.37**	(1.90)
Actuarial (Gain) / Loss - Return on Plan Assets	**-**	-
Net (Income) / Expense - For the period recognised in OCI	**0.37**	(1.90)
Discount rate (per annum)	**7.70%**	7.75%
Salary escalation rate (per annum)	**6.00%**	6.00%

	As at March 31, 2019 ₹ Crore	As at March 31, 2018 ₹ Crore
c. **Provident fund**		
The Company has an obligation to fund any shortfall on the yield of the trust's investments over the administered interest rates on an annual basis. These administered rates are notified by the Government annually. The actuary has provided a valuation based on the below provided assumptions and there is no shortfall as at March 31, 2019.		
Plan assets at year end, at fair value	**-**	-
Present value of benefit obligation at year end	**-**	-
Cost of shortfall in interest rate guarantee	**-**	-
Discount rate	**7.50%**	7.75%
Average remaining tenure of the investment portfolio (years)	**6.23**	8.42
Expected guaranteed interest rate	**8.65%**	8.55%
During the year ended March 31, 2019, amount recognised in statement of profit and loss for employee provident fund is ₹ 7.65 crore (P.Y. ₹ 7.46 crore).		
Defined contribution plan		
Family pension fund	**8.53**	8.29
Employees deposit link insurance	**0.52**	0.51
Superannuation	**0.09**	0.09
d. **Share-based payment:**		
Erstwhile Bajaj Hindusthan Sugar & Industries Limited, which was merged with the Company w.e.f. 01.04.2010, had formed Employees Stock Option Plan (ESOP) in 2007. All option granted have either been expired or exercised.		
32 Finance costs		
Interest expense on:		
Borrowings*	**309.70**	672.97
Others	**5.09**	0.99
Debentures	**0.35**	0.10
Other borrowing costs	**6.64**	6.11
	321.78	680.17
* Refer Note 41 (e)		
33 Depreciation and amortisation expense		
Depreciation on tangible assets	**211.33**	196.91
	211.33	196.91
34 Other expenses		
Stores, spares and packing materials consumed	**157.28**	108.59
Power and fuel	**14.63**	12.92
Rent	**6.20**	5.50
Rates and taxes	**0.30**	0.77
Repairs :		
Building	**1.39**	1.10
Machinery	**123.42**	86.44
Others	**4.70**	4.10
	129.51	91.73
Payment to auditors (refer Note 34.1)	**0.72**	0.65
Insurance	**6.26**	4.46

	As at March 31, 2019 ₹ Crore	As at March 31, 2018 ₹ Crore
Selling commission	**15.48**	12.65
Selling & distribution	**60.87**	68.43
Director fees	**0.20**	0.26
Bad debts written off	**-**	0.44
Provision for doubtful debts	**13.68**	14.61
Provision for doubtful advances	**1.18**	-
Fair valuation of land	**1.78**	-
Loss on assets sold / scrapped / written off	**0.35**	0.04
Miscellaneous expenses	**52.40**	91.46
	460.84	412.51

34.1 Payment to auditors

For statutory audit fees	**0.46**	0.43
For tax audit fees	**0.05**	0.05
For certification work	**0.20**	0.17
Reimbursement of expenses (P.Y. ₹ 18,139/-)	**0.01**	0.00
	0.72	0.65

35 Other Comprehensive income

Actuarial gain / (loss) on employee benefit plans	**(3.77)**	2.82
Gain / (loss) on Investment through FVOCI	**(34.52)**	(52.38)
Less: Tax on Gain / (loss) on Investment through FVOCI	**10.77**	16.34
	(27.52)	(33.22)

36 Contingent liabilities and commitments

(I) Contingent liabilities		
(a) In respect of disputed demands/claims against the Company not acknowledged as debts:		
(i) Central excise matters	**12.70**	24.51
(ii) Trade tax matters	**64.98**	84.04
(iii) Recompense payable (refer Note 41(b))	**189.21**	144.79
(iv) Other claims	**69.52**	50.06
	336.41	309.40
(b) Guarantees		
The Company has furnished guarantees/securities on behalf of subsidiary / associate company	**661.25**	760.25
(c) Erstwhile Bajaj Ecotech Products Ltd. (merged with the Company) has procured imported as well as indigenous capital goods under Export Promotion and Capital Goods Scheme (EPCG). The Export obligation pending against such EPCG licenses	**5.26**	3.86
(d) Interest payable on promoters loan (refer Note 41 (c) & (d)) is not determinable	**-**	-

		As at March 31, 2019 ₹ Crore	As at March 31, 2018 ₹ Crore
(e)	Pursuant to the scheme for sustainable structuring of stressed assets (S4A Scheme) for restructuring of certain outstanding debts of the Company [Refer Note No. 41 (d) for details], the Company has allotted optionally convertible debentures (OCDs) aggregating to ₹ 3,483.25 crore to JLF lenders. The OCDs carry a yield to maturity (YTM) at the agreed Yield Rate accruing on an annual basis, starting from the Allotment Date. The said YTM is payable as premium on redemption along with the relevant Principal Amount on each Redemption Date [Refer Note no. 17.1]. The OCDs provide the lenders an option to exercise the right to convert the outstanding OCDs into equity shares of the Company at a price in accordance with Applicable Law (including the ICDR Regulations). Since premium to be paid is contingent on the occurrence of the event of redemption of OCDs, the YTM of ₹ 514.50 crore from the date of allotment of OCD till the year end is treated as contingent liability and would be accounted for as finance cost at the time of redemption of respective OCDs.		
(II)	**Commitments**		
	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	**27.29**	14.63

37 Earnings per share

(i)	Net profit/ (loss) after tax as per statement of profit and loss	**(64.08)**	(423.19)
(ii)	Weighted average number of equity shares used as denominator for calculating basic EPS (crore)	**110.07**	110.07
(iii)	Weighted average number of equity shares used as denominator for calculating diluted EPS (crore)*	**110.07**	110.07

* Equity shares to be issued on conversion of optionally convertible debentures and on loan from promoters (refer Note No. 17.1 and 17.4) are not determinable as on balance sheet date

(iv)	Basic earnings per share	**(0.58)**	(3.84)
(v)	Diluted earnings per share	**(0.58)**	(3.84)
(vi)	Face value per equity share	**₹ 1/-**	₹ 1/-

38 Foreign currency exposure that are not hedged by derivative instruments as on March 31, 2019 amounting to SGD 0.24 crore (P.Y. SGD 0.24 crore) in respect of loan given to subsidiary.

39 As per Ind AS 108 - "Operating segment", segment information has been provided under the notes to consolidated financial statements (refer Note 38 to the consolidated financial statements).

40 The disclosures in respect of Related Parties as required under Ind AS 24 'Related Party Disclosures' is stated herein below:

a)	Details of related parties:		
		Name of related parties	**Description of relationship**
	A.	**Subsidiary companies**	
	1.	Bajaj Aviation Private Ltd.	Wholly-owned subsidiary
	2.	Bajaj Power Generation Private Ltd.	Wholly-owned subsidiary
	3.	Bajaj Hindusthan (Singapore) Private Ltd., Singapore	Wholly-owned subsidiary
	4.	PT. Batu Bumi Persada, Indonesia	Step down subsidiary
	5.	PT. Jangkar Prima, Indonesia	Step down subsidiary

	B.	**Directors and their relatives**	
		Mr. Kushagra Bajaj	Chairman & Managing Director (Also key management personnel)
		Mr. Ashok Kumar Gupta	Director (Group Operations) (Also key management personnel)
	C.	**Enterprises over which key management personnel and their relatives are able to exercise significant influence**	
	1.	Abhitech Developers Pvt. Ltd.	
	2.	Bajaj Capital Ventures Private Ltd.	
	3.	Bajaj Infrastructure Development Company Ltd.	
	4.	Bajaj Energy Ltd.	
	5.	Bajaj Resources Ltd.	
	6.	Bajaj International Realty Private Ltd.	
	7.	Shishir Bajaj Family Trust	
	8.	SKB Roop Commercial, LLP	
	9.	Lambodar Stocks Private Ltd.	
	10.	Lalitpur Power Generation Company Ltd.	

b) Details of related party transactions:

₹ Crore

	Transactions	Subsidiaries	Key Management Personnel	Associates	Enterprises described in (C) above	Total
I.	**Transactions during the year**					
	Rent / lease rent - Income	**7.56**	-	-	**3.45**	**11.01**
		(7.56)	(-)	(-)	(3.40)	(10.96)
	Interest - Income	**107.40**	-	-	-	**107.40**
		(107.40)	(-)	(-)	(-)	(107.40)
	Remuneration	-	**2.96**	-	-	**2.96**
		(-)	(2.83)	(-)	(-)	(2.83)
	Rent - Expense	-	-	-	**4.13**	**4.13**
		(-)	(-)	(-)	(4.03)	(4.03)
	Business process services - Expense	-	-	-	**1.85**	**1.85**
		(-)	(-)	(-)	(2.12)	(2.12)
	Advance lease rent received	-	-	-	-	-
		(-)	(-)	(-)	(0.21)	(0.21)
	Advance rent paid	-	-	-	-	-
		(-)	(-)	(-)	(4.25)	(4.25)
	Loans taken	-	-	-	-	-
		(-)	(-)	(-)	(12.00)	(12.00)
	Deposit given repaid	-	-	-	-	-
		(-)	(-)	(-)	(5.82)	(5.82)
	Guarantee given repaid	-	-	-	**99.00**	**99.00**
		(-)	(-)	(-)	(-)	(-)

₹ Crore

	Transactions	Subsidiaries	Key Management Personnel	Associates	Enterprises described in (C) above	Total
II.	**Amounts outstanding at Balance Sheet date**					
	Loans taken	-	**110.50**	-	**101.50**	**212.00**
		(-)	(110.50)	(-)	(101.50)	(212.00)
	Trade payables	-	-	-	**0.60**	**0.60**
		(-)	(-)	(-)	(4.08)	(4.08)
	Investments	**97.34**	-	-	**770.13**	**867.47**
		(97.34)	(-)	(-)	(770.13)	(867.47)
	Trade receivable	**39.09**	-	-	**3.58**	**42.67**
		(31.64)	(-)	(-)	(0.09)	(31.73)
	Advance to vendors	-	-	-	**0.67**	**0.67**
		(-)	(-)	(-)	(4.37)	(4.37)
	Loans given - Secured (including accrued interest)	**1,579.43**	-	-	-	**1,579.43**
		(1,476.00)	(-)	(-)	(-)	(1,476.00)
	Loans given - Unsecured (including accrued interest)	**55.29**	-	-	-	**55.29**
		(52.02)	(-)	(-)	(-)	(52.02)
	Deposits given	**0.01**	-	-	**5.03**	**5.04**
		(-)	(-)	(-)	(5.03)	(5.03)
	Guarantees/securities given	-	-	-	**661.25**	**661.25**
		(-)	(-)	(-)	(760.25)	(760.25)

Notes:

1 Related party relationship is as identified by the Company based on the available information and relied upon by the auditors.

2 No amount has been written off or written back during the year in respect of debts due from or to related parties.

3 Rent income ₹ 7.56 crore (P.Y. ₹ 7.56 crore) from Bajaj Aviation Pvt. Ltd, ₹ 3.27 crore (P.Y. ₹ 3.19 crore) from Bajaj Energy Ltd, Lalitpur Power Generation Company Ltd ₹ 0.18 crore (P.Y. ₹ 0.21 crore) and Bajaj Infrastructure Development Company Ltd ₹ 22,656/- (P.Y. Nil).

4 Interest income includes ₹104.47 crore (P.Y. ₹ 104.47 crore) from Bajaj Power Generation Private Limited and ₹ 2.93 crore (P.Y. ₹ 2.93 crore) from Bajaj Aviation Pvt Ltd. on loan given to them.

5 Remuneration includes ₹ 1.85 crore (P.Y. ₹ 1.84 crore) to Mr. Kushagra Bajaj, and ₹ 1.11 crore (P.Y. ₹ 0.99 crore) to Mr. A.K. Gupta.

6 Rent expense includes ₹ 0.93 crore (P.Y. ₹ 0.93 crore) to Bajaj Capital Ventures Pvt. Ltd , ₹ 2.23 crore (P.Y. ₹ 2.22 crore) to Shishir Bajaj Family Trust , ₹ 0.97 crore (P.Y. ₹ 0.88 crore) to Bajaj Resources Ltd.

7 Business process services includes ₹ 1.85 crore (P.Y. ₹ 2.12 crore) to Abhitech Developers Pvt. Ltd.

8 Restructured term loan from banks aggregating to ₹ 6,022.04 crore are secured by personal guarantee of Mr. Kushagra Bajaj (Managing Director) and corporate guarantee by M/s Bajaj International Realty Private Ltd. (a promoter group company) and pledge of entire shares held by the promoters of the Company.

9 The transactions with related parties are made on terms equivalent to those that prevail in arm's-length transactions. Outstanding balances year-end are unsecured except as stated above and settlement occurs in cash.

41 a) At the request of the Company, the Joint Lenders' forum (JLF Lenders) led by State Bank of India has approved the corrective action plan for restructuring of credit facilities on December 03, 2014 under JLF route in accordance with the applicable framework and guidelines issued by Reserve Bank of India. Accordingly, a Master Restructuring Agreement (MRA) has been signed on December 30, 2014 among the Company and JLF lenders, by virtue of which the restructured facilities are governed by the provisions specified in the said MRA. The cut- off date for restructuring under JLF route is July 31, 2014.

b) The MRA as well as guidelines of Reserve Bank of India issued on debt restructuring under JLF route give a right to the JLF lenders to get recompense of their waivers and sacrifices made as per corrective action plan. The recompense payable by the Company is contingent on various factors including improved performance of the Company and many other conditions, the outcome of which currently is materially uncertain and hence the proportionate amount payable as recompense is treated as a contingent liability. The aggregate present value of recompense till March 31, 2019 payable to the JLF lenders as per MRA is approximately ₹189.21 crore for the Company.

c) As per terms of above restructuring approved by lenders, the Promoters were required to bring promoter contribution amounting to ₹ 200 crore in phased manner till September 2015 in the form of equity capital/ preference capital/unsecured loan/other similar instruments. An amount of ₹ 200 crore has been brought by promoters as unsecured loan within stipulated period.

d) For restructuring of certain outstanding debts of the Company, the Joint Lenders' forum (JLF) of the Company adopted the scheme for sustainable structuring of stressed assets (S4A Scheme) with reference date as June 23, 2017, which was approved by the overseeing committee (OC) on November 30, 2017. As per the S4A Scheme, the total fund based debt of ₹ 8,284.59 crore (including funded interest of ₹ 354.51 crore), were bifurcated in two parts – 57.81% as Part A (Sustainable Debt) amounting to ₹ 4,789.34 crore to be serviced as per existing terms and conditions of these debts and remainder 42.19% as Part B (Unsustainable Debt) amounting to ₹ 3,495.25 crore. While a sum of ₹ 12.00 crore has been adjusted against the consideration payable to Promoters towards transfer of 11,99,87,344 equity shares, at a price of ₹ 1/- per equity share, to JLF lenders and the balance ₹ 3,483.25 crore has been converted into optionally convertible debentures allotted to the JLF lenders.

Promoter / Promoters' group has transferred 11,99,87,344 (10.59%) equity shares, at ₹ 1/- per equity share, to JLF lenders, resulting in reduction of Promoter holding from 26.02% to 15.43% in accordance with the S4A Scheme.

e) "Finance Cost" includes a sum of ₹ 354.51 crore during FY 2017-18, which instead of being paid in cash have been converted into OCDs as a part of "Unsustainable Debt" in accordance with the S4A Scheme, resulting into substantial savings of cash outflow during the year. The OCDs are redeemable by paying the Principal Amount together with YTM accrued till the date of respective redemption date in 13 equal annual instalments, commencing at the end of FY 2024-25.

42 Details of Loans given, investment made and guarantee given covered under Section 186(4) of the Companies Act, 2013:

- Investment made are given under Note 4
- Loan given to subsidiaries are given under Note 11
- Loans given to others and guarantees / securities given by the Company as at March 31, 2019 are as under:

Sr. No.		Name of the Company	Nature	As at March 31, 2019 ₹ Crore	As at March 31, 2018 ₹ Crore
	(i)	Ojas Industries Private Ltd.	Loan for business purposes	511.86	474.02
	(ii)	Lalitpur Power Generation Company Ltd.	Guarantee / securities given	661.25	760.25

43 Financial Risk Management

The Company's activities expose it to credit risk, liquidity risk and market risk. This note explains the sources of risks which the entity is exposed to and how it mitigates that risk.

A **Credit risk**

Credit risk arises from the possibility that counterparty may not be able to settle their obligations as agreed. Company is exposed to credit risk from trade receivables and deposits with banks. To manage this, Company periodically assesses the financial reliability of customers, taking into account loan given factors such as credit track record in the market and past dealings with the Company for extension of credit to customers. Company monitors the payment track record of the customers. Outstanding customer receivables are regularly monitored. Concentrations of credit risk are limited as a result of the Company's large and diverse customer base. Company has also taken advances and security deposits from its customers / agents, which mitigate the credit risk to an extent. The ageing of trade receivable is given below:

	Up to 6 months ₹ Crore	More than 6 months ₹ Crore	Total
As at March 31, 2019	**193.41**	**46.94**	**240.35**
As at March 31, 2018	177.86	35.19	213.05

Following table summarises the change in loss allowances measured using life time expected credit loss model. No significant changes in the estimation techniques or assumption were made during the period.

Particulars	₹ Crore
As at April 01, 2017	9.69
Provided during the year	14.61
Amounts written off	(3.68)
As at March 31, 2018	20.62
Provided during the year	13.68
As at March 31, 2019	**34.30**

Company considers factors such as track record, size of the institution, market reputation and service standards to select the comparative banks with which loan / term deposits are maintained. Generally, term deposits are maintained with banks with which Company has also availed borrowings.

B **Liquidity risk**

Liquidity risk is the risk that a company may encounter difficulties in meeting its obligations associated with financial liabilities that are settled by delivering cash or other financial assets. The Group monitors rolling forecasts of its liquidity requirements to ensure it has sufficient cash to meet operational needs. The table below provides undiscounted cash flows towards financial liabilities into relevant maturity based on the remaining period at the balance sheet to the contractual maturity date.

Particulars	**As at March 31, 2019 (₹ Crore)**				
	Carrying amount	**On demand**	**0-12 months**	**More than 12 months**	**Total**
Borrowings	6,022.07	-	639.98	5,382.09	6,022.07
Trade payables	4,161.92	4,161.92	-	-	4,161.92
Other financial liabilities	23.93	-	23.93	-	23.93
Total	**10,207.92**	**4,161.92**	**663.91**	**5,382.09**	**10,207.92**

Particulars	As at March 31, 2018 (₹ Crore)				
	Carrying amount	On demand	0-12 months	More than 12 months	Total
Borrowings	6,790.77	156.26	742.09	5,892.42	6,790.77
Trade payables	3,372.67	3,372.67	-	-	3,372.67
Other financial liabilities	31.23	-	31.23	-	31.23
Total	**10,194.67**	**3,528.93**	**773.32**	**5,892.42**	**10,194.67**

C **Market risk**

The Company is exposed to the risk of movements in interest rates, inventory price and foreign currency exchange rates that affects its assets, liabilities and future transactions.

i) **Interest rate risk**

Fluctuation in fair value or future cash flows of a financial instrument because of changes in market interest rates gives rise to interest rate risk. Almost 100% of the Company's borrowings are linked to SBI base rate of the banks. With all other variables held constant, the following table demonstrates the impact of change in interest rate on borrowing cost on floating rate portion of loans.

₹ Crore

Interest rate sensitivity	**Increase / Decrease in basis point**	**Effect on Profit before tax**	
For year ended March 31, 2019	**100**	**+/(-)**	**60.22**
For year ended March 31, 2018	100	+/(-)	67.91

ii) **Inventory price risk**

The Company is exposed to the movement in price of principal finished product i.e. sugar. Prices of the sugar cane is fixed by government. Generally, sugar production is carried out during sugar cane harvesting period from November to April. Sugar is sold throughout the year which exposes the sugar inventory to the movement in the price. Company monitors the sugar prices on daily basis and formulates the sales strategy to achieve maximum realisation. The sensitivity analysis of the change in sugar price on the inventory as at year end, other factors remaining constant is given in table below:

₹ Crore

Interest rate sensitivity	**Increase / Decrease in sale price**	**Effect on Profit before tax**	
For year ended March 31, 2019	**₹ 1**	**+/(-)**	**0.81**
For year ended March 31, 2018	**₹ 1**	+/(-)	0.85

iii) **Foreign exchange risk**

Foreign currency risk arises commercial transactions that recognised assets and liabilities denominated in a currency that is not Company's functional currency (INR). The Company is not exposed to significant foreign exchange risk at the respective reporting dates.

44 Fair value of financial assets and financial liabilities

Financial instruments measured at fair value can be divided into three levels for determining and disclosing the fair value of financial instruments by valuation technique.

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices);

Level 3 – Inputs for the asset or liability that are not based on observable market data.

Following methods and assumptions are used to estimate the fair values:

a) Fair value of cash and short-term deposits, trade and other short-term receivables, trade payables, other current liabilities and short-term borrowings carried at amortised cost is not materially different from its carrying cost largely due to short-term maturities of these financial assets and liabilities.

b) Financial instruments with fixed and variable interest rate fall within level 2 of the fair value hierarchy and are evaluated by Company based on parameters such as interest rate, credit rating or assessed creditworthiness.

c) Non-listed shares and other securities fall within level 3 of the fair value hierarchy. Valuation is based on the net asset method.

d) Fair value of the borrowing items fall within level 2 of the fair value hierarchy and is calculated on the basis of discounted future cash flows.

Set out below is a comparison by class of the carrying amounts and fair value of the Company's financial instruments that are recognised in the financial statements.

Particulars	As at March 31, 2019 (₹ Crore)			
	Carrying amount	Level 1	Level 2	Level 3
Financial assets at amortised cost				
Trade receivables	206.05	-	-	-
Cash and cash equivalents	48.10	-	-	-
Bank balances	11.42	-	-	-
Loans - current	2,146.58	-	-	-
Other financial assets - non-current	3.99	-	3.99	-
Total	**2,416.14**	**-**	**3.99**	**-**
Financial assets at fair value through Other comprehensive income				
Investments	924.06	-	-	924.06
Total	**924.06**	**-**	**-**	**924.06**
Financial liabilities at amortised cost				
Borrowings – non-current	5,382.09	-	5,382.09	-
Borrowing – current	-	-	-	-
Trade payables	4,161.92	-	-	-
Other financial liabilities – current	663.91	-	-	-
Total	**10,207.92**	**-**	**5,382.09**	**-**

Particulars	As at March 31, 2018 (₹ Crore)			
	Carrying amount	Level 1	Level 2	Level 3
Financial assets at amortised cost				
Trade receivables	192.43	-	-	-
Cash and cash equivalents	31.28	-	-	-
Bank balances	23.39	-	-	-
Loans - current	2,002.04	-	-	-
Other financial assets - non-current	2.35	-	2.35	-
Total	**2,251.49**	**-**	**2.35**	**-**

Particulars	As at March 31, 2018 (₹ Crore)			
	Carrying amount	Level 1	Level 2	Level 3
Financial assets at fair value through Other comprehensive income				
Investments	958.58	-	-	958.58
Total	**958.58**	**-**	**-**	**958.58**
Financial liabilities at amortised cost				
Borrowings – non-current	5,892.42	-	5,892.42	-
Borrowing – current	156.26	156.26	-	-
Trade payables	3,372.67	-	-	-
Other financial liabilities – current	773.32	-	-	-
Total	**10,194.67**	**156.26**	**5,892.42**	**-**

During the year ended March 31, 2019, there were no transfers between level 2 and level 3 fair value hierarchy. During the year ended March 31, 2018, there were no transfers between level 2 and level 3 fair value hierarchy. Following table shows the reconciliation from the opening balances to the closing balances of the level 3 values.

	₹ Crore
Balance as on April 1, 2017	1,010.96
Less: Fair value loss recognised in Other Comprehensive Income	(52.38)
Balance as on March 31, 2018	958.58
Less: Fair value loss recognised in Other Comprehensive Income	(34.52)
Balance as on March 31, 2019	**924.06**

45 The Company has non-current investments (long-term investments) aggregating to ₹ 97.34 crore in subsidiaries and current investment in a group company of ₹ 770.13 crore, loans and advances along with accrued interest of ₹ 1,634.72 crore and trade receivables of ₹ 16.29 crore recoverable from subsidiary and loans & advances of ₹ 511.86 crore from other company. Some of these subsidiaries and other companies have accumulated losses and/or negative net worth and/or current liabilities exceeding their respective current assets, as at the respective balance sheet dates. Management has evaluated this matter and is of the firm view that sufficient efforts are being undertaken to revive the said subsidiary and other companies in the foreseeable future so as to recover carrying value of the investment and the diminution, if any, even if it exists is only temporary. Further, management believes that the loans and advances given to these subsidiary and companies are considered good and recoverable based on the future projections, and ongoing efforts towards obligation casted on the Company and its promoters to recover the outstanding loans in phased manner in terms of the agreements executed to give effect to the debt restructuring schemes from time to time and accordingly no provision other than those already accounted for, has been considered necessary.

46 The Company and its erstwhile subsidiary Bajaj Hindusthan Sugar & Industries Limited (BHSIL) (since merged) had established an aggregate of 11 new sugar mills and expanded capacity of existing sugar mills during the years 2004 to 2008. As per the Sugar Industry Promotion Policy, 2004 announced by the Government of Uttar Pradesh, the Company was entitled to various benefits in form of grant of certain exemptions/incentives as also reimbursements of certain expenses and capital subsidy, available to the eligible entrepreneurs based on the investments in setting up or expanding the sugar units in the U.P. state. While for the 8 new sugar mills set up by the Company, it had already received "Eligibility Certificate", the same is awaited for 3 new mills and expansion of 1 mill by BHSIL. Till date the Company have partly availed the benefits including capital subsidy amount. However, due to an abrupt withdrawal of policy in the year 2008, the balance amount of benefits and grant of eligibility certificate in respect of the mills of BHSIL is held up. Consequently, the Current Assets include a sum of ₹ 592.38 crore towards the aforesaid claim under 2004 Policy. The Company had initiated litigation process which was decided in favour of the Company vide an Order passed by the Hon'ble Allahabad High Court, Lucknow Bench in the year 2014 upholding the Company's entitlement to the incentive/remission/exemption etc. as per the 2004 Policy for the remaining period, with certain directions to the Company and the State Government. Subsequently dismissing the SLP filed by the State of U.P., the said Order was upheld by Hon'ble Supreme Court in the year 2018. Aggrieved by the inaction of the State of U.P. to comply with the orders of the Hon'ble Supreme Court in not processing the Company's claim even after the expiry of six weeks' time granted to complete the process of examination, the Company filed a contempt petition with Hon'ble Supreme Court, which has since been dispensed with and matter is pending for further Order. The recovery of the said claim depends upon the outcome of the said litigation and processing of claims by the State of U.P.

47 Due to the losses incurred by Company during last few years, there has been reduction in the net worth of the Company. The losses are mainly attributable to high raw material cost i.e. sugarcane price (as fixed by Government) and relatively lower price of finished goods i.e. sugar and molasses, which are determined by market forces based on demand and supply scenario, which are external factors. As at year end, the Company has overdue instalments of certain debts and dues payable to farmers for sugarcane purchases. The Company is continuously striving for improvement in the operational efficiencies in other parameters. The debt restructuring concluded during last year 2018, under S4A scheme of RBI has resulted into improved liquidity. Keeping in view the efforts to recover its investments, loans and advances as referred to in Note 45 above and the status of its claim under Sugar Industries Promotion Policy 2004, as referred in Note 46 above, the Company expects to further improve its liquidity position. In view of the above, the management expects to generate positive cash flow from operations and timely settlement of its outstanding liabilities. Accordingly, the financial statements are continued to be presented on going concern basis, which contemplates realisation of assets and settlement of liabilities in the normal course of business.

48 Capital Management

There has not been any change in its objectives, policies and processes for managing capital from previous year. The Company is not subject to any externally imposed capital requirements.

₹ Crore

	March 31, 2019	March 31, 2018	Change in %
Total equity attributable to equity shareholders	**3,405.05**	3,497.86	(2.65)
Borrowings	**6,022.07**	6,634.51	(9.23)
Total Capital	**9,427.12**	10,132.37	(6.96)
Total equity attributable to equity shareholders as percentage of Total Capital	**36%**	35%	
Total Borrowing as percentage of Total Capital	**64%**	65%	

49 The financial statements were approved for issue by the Board of Directors, at its meeting held on May 22, 2019.

50 Previous year figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosures.

See accompanying notes "1" to "50" to the financial statement.

As per our Report of even date
For Chaturvedi & Shah LLP
Firm Registration No.101720W/W100355
Chartered Accountants

For and on behalf of the Board
Kushagra Bajaj
Chairman & Managing Director
DIN: 00017575

Lalit R. Mhalsekar
Partner
Membership No. 103418

Alok Kumar Vaish
Chief Financial Officer
M. No. F089930

Pradeep Parakh
Group President (GRC) &
Company Secretary
M. No. F6171

D.K. Shukla
Independent Director
DIN: 00025409

Shalu Bhandari
Independent Director
DIN: 00012556

Vipulkumar S. Modi
Independent Director
DIN: 06985276

Mumbai, May 22, 2019

INDEPENDENT AUDITOR'S REPORT

To the Members of Bajaj Hindusthan Sugar Limited

Report on the Audit of the Consolidated Financial Statements

Qualified Opinion

1. We have audited the accompanying consolidated financial statements of Bajaj Hindusthan Sugar Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated balance sheet as at March 31, 2019, and the consolidated statement of Profit and Loss including other comprehensive income, the consolidated statement of cash flows, consolidated statement of changes in equity for the year then ended, and notes to the financial statement, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

2. In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India, of their consolidated state of affairs of the group as at March 31, 2019, consolidated loss including other comprehensive income and their consolidated cash flows and consolidated changes in equity for the year ended on that date.

Basis for Qualified Opinion

3. We draw attention to Note No.36 (e) regarding the non-provision of premium payable on Optionally Convertible Debentures (OCDs) at the time of redemption of OCDs issued to lenders pursuant to the Scheme for Sustainable Structuring of Stressed Assets (S4A Scheme) which stipulates that the yield to maturity (YTM) being the difference between weighted average interest and coupon rate payable as redemption premium at the time of redemption of OCDs redeemable in 13 equal instalments commencing from the Financial year 2024-25. The Company considers such YTM / redemption premium as contingent liability and has not provided for the same in the books of account for the year ended March 31, 2019 amounting to ₹ 403.63 crore. The aggregate liability for such YTM from the date of allotment of OCDs till year ended March 31, 2019 is ₹ 514.50 crore from date of allotment of OCDs. Had such interest been provided, the reported loss for the year ended March 2019 would have been ₹ 540.20 crore and Net worth of the Company would have been ₹ 2,262.61 crore.

Material Uncertainty related to Going Concern

4. As stated in Note 45 of the consolidated financial statements, Company continues to incur losses resulting into reduction of net worth. As at year end, the Company has overdue instalments of certain debts, dues payable to farmers for sugar cane purchases. The above factors indicate a material uncertainty, which may cast significant doubt about the Company's ability to continue as a going concern. However, the management expects to generate positive cash flow from operation this year based on improvement in sugar recovery percentage & expects further improvement in the operational efficiencies in other parameters based on various corrective measures taken by the Company including the restructuring of debts as stated in the said note and the Company expects to receive benefits under the Sugar Promotion Policy 2004 pursuant to a favourable Order of Hon'ble Supreme Court of India. Accordingly, the Company is of the view that going concern of the accounting is appropriate.

   Our report is not modified in respect of the above matter.

Emphasis of Matter

5. As stated in Note 43 to the consolidated financial statements, the Group has exposure aggregating to ₹ 770.13 crore in other companies which are related to group and ₹ 1,086.15 crore in other companies, aggregating to ₹ 1,856.28 crore, by way of investments, loans, accumulated interest on these loans. The above exposure is considered good and recoverable by the management based on the future projections, valuation reports, ongoing efforts for obligation casted on the Group and its promoters to recover the outstanding loans in phased manner in terms of the agreements executed to give effect to the debt restructuring schemes from time to time and accordingly no provision has been considered necessary.

   Our report is not modified in respect of the above matter.

Key Audit Matters

6. Key audit matters are those matters that, in our professional judgement, 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.

   We have determined the matters described below to be key audit matters to be communicated in our report.

   Impairment assessment for investment, loans and interest on loan (refer Note 2.21 (i) for accounting policy and Note 43 for Investments)

7. The Group has exposure aggregating to ₹ 770.13 crore in other companies which are related to group and ₹ 1,086.15

crore in other companies, aggregating to ₹ 1,856.28 crore, by way of investments, loans, accumulated interest on these loans. Such investment and loans and interest accrued thereon are individually assessed for impairment as per Ind AS 36 – Impairment of Assets. Such impairment assessment commences with management's evaluation on whether there is an indication of impairment loss. As part of such evaluation, based on the future projections, valuation report ongoing efforts or obligation casted on the Group and its promoters to recover the outstanding loans in phased manner in terms of the agreements executed to give effect to the debt restructuring schemes from time to time and accordingly no impairment triggers have been identified by the management based on above assessment.

8. We focussed on this area due to magnitude of the carrying value of Loans, accumulated interest on loan to other companies related to group, which comprise 9.30% of the total assets as at March 31, 2019 and are subject to annual impairment assessment.
9. Our audit procedures, in respect of testing impairment assessment for investments in Company related to group, included the following:
   - Obtained understanding of the process, evaluated the effectiveness of controls in respect of impairment assessment of Loans to other companies related to group.
   - Held discussions with management regarding appropriate implementation of policy on impairment.
   - Evaluated the future projects and valuation report of the other companies related to group.
   - Confirmations for above exposure.
   - Validated the S4A restructuring Scheme.
   - We evaluated the impairment assessment performed by management taking into account the requirements of Ind AS 36 – Impairment of Assets.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

10. The Company's Board of Directors is responsible for preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon.

    Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
11. In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

    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.

Management's Responsibility for the Consolidated Financial Statements

12. 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 consolidated financial statements that give a true and fair view of the financial position, financial performance, (changes in equity) 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 judgements 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.
13. In preparing the consolidated financial statements, the respective Board of Directors of Companies in the Group is responsible for assessing the Group 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 Group or to cease operations, or has no realistic alternative but to do so.

    The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

14. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
15. As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:
    - Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement

resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal 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 and its subsidiary companies which are incorporated in India, 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 going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements.

16. Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.
17. 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.
18. 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.
19. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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.
20. The Consolidated financial statement includes the Financial statement of the following entities:

    List of subsidiaries:

    1. Bajaj Aviation Private Ltd
    2. Bajaj Power Generation Private Ltd
    3. Bajaj Hindusthan (Singapore) Private Ltd, Singapore
    4. PT. Batu Bumi Persada, Indonesia
    5. PT. Jangkar Prima, Indonesia

Other Matter

21. We did not audit the financial statements and other financial information, in respect of three subsidiaries, whose financial statements include total assets of ₹ 1,694.97 crore as at March 31, 2019, and total revenues of ₹ 49.81 crore for the year ended on that date. These financial statements and other financial information have been audited by other auditors and whose reports have been furnished to us by the Management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the report(s) of such other auditors.
22. We have relied on the unaudited financial statements of two subsidiaries whose financial statements reflect total assets of ₹ 4.16 crore as at March 31, 2019, total revenue of ₹ (0.62) crore for the year then ended on that date, as considered in the consolidated financial statements. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

    Our Opinion on the consolidated financial statements is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and financial results certified by the respective management.

Report on Other Legal and Regulatory Requirements

23. 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) Except for the possible effects of the matters described in the Basis of Qualified opinion paragraph above, 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 Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including other comprehensive income, the Consolidated Cash Flow Statement and Consolidated statement of changes in equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of Consolidated financial statement.

d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. except requirement of Ind AS 23 on Borrowing cost with regard to matters described in the Basis of Qualified Opinion paragraph above.

e) The going concern matter described in paragraph 4 under Material Uncertainty related to Going Concern paragraph above, in our opinion, may have adverse effect on the functioning of the Company.

f) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors of the Company and its subsidiaries incorporated in India and the report of its statutory auditors subsidiaries companies incorporated in India, none of the directors of the Group Companies is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

g) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditor's reports of the Company and its subsidiary companies incorporated in India.

h) With respect to other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended.

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.

i) 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 consolidated financial statements disclose impact of pending litigations on the consolidated financial position of the Group. Refer Note 36 to the Consolidated financial statements.

(ii) Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

(iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company and its subsidiary companies incorporated in India.

For **Chaturvedi & Shah LLP**
Chartered Accountants
Firm Registration No. 101720W/W100355

Lalit R. Mhalsekar
Partner
Membership No. 103418

Mumbai
Dated: May 22, 2019

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 23 (g) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Bajaj Hindusthan Sugar Limited of even date)

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

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2019, we have audited the internal financial controls over financial reporting of Bajaj Hindusthan Sugar Limited (hereinafter referred to as "Company") and its subsidiary companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

2. The Board of Directors of the Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies 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 ("the ICAI"). 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 the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

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

Meaning of Internal Financial Controls Over Financial Reporting

5. 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 unauthorised 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

6. 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

7. In our opinion, to the best of our information and according to the explanations given to us, 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.

Other Matters

8. Our aforesaid reports under Section 143(3) (i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to two subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For **Chaturvedi & Shah LLP**
Chartered Accountants
Firm Registration No. 101720W/W100355

Lalit R. Mhalsekar
Partner
Membership No. 103418

Mumbai
Dated: May 22, 2019

Consolidated Balance Sheet as at March 31, 2019

Particulars	Note	As at March 31, 2019 ₹ Crore	As at March 31, 2018 ₹ Crore
ASSETS :			
Non-current assets			
Property, plant and equipment	3	**7,396.83**	7,543.04
Capital work-in-progress	3	**26.35**	75.41
Other intangible assets	3	**0.00**	0.00
Financial assets			
Investments	4	**153.93**	958.58
Other non-current financial assets	5	**4.01**	2.35
Deferred tax assets	19	**-**	4.90
Other non-current assets	6	**261.52**	264.31
Sub total		**7,842.64**	8,848.59
Current assets			
Inventories	7	**2,764.98**	2,847.88
Financial assets			
Current investments	8	**1,036.98**	266.85
Trade receivables	9	**181.34**	169.33
Cash and cash equivalents	10	**53.89**	38.28
Bank balances	11	**13.48**	25.36
Loans and interest accrued	12	**1,100.04**	1,024.56
Current tax assets (net)	13	**16.49**	17.55
Other current assets	14	**781.14**	815.88
Sub total		**5,948.34**	5,205.69
Total Assets		**13,790.98**	14,054.28
EQUITY AND LIABILITIES :			
Equity			
Equity share capital	15	**110.07**	110.07
Other equity	16	**2,667.04**	2,831.90
Non-controlling interest		**(0.01)**	(0.01)
Sub total		**2,777.10**	2,941.96
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	17	**5,382.09**	5,892.42
Provisions	18	**53.76**	43.35
Deferred tax liabilities	19	**629.46**	642.54
Other non-current liabilities	20	**21.74**	14.84
Sub total		**6,087.05**	6,593.15
Current liabilities			
Financial liabilities			
Borrowings	21	**4.41**	161.27
Trade payables :			
Total outstanding micro enterprises and small enterprises	22	**0.67**	0.40
Total outstanding other than micro enterprises and small enterprises	22	**4,165.03**	3,374.30
Other financial liabilities	23	**665.34**	773.32
Other current liabilities	24	**79.80**	199.94
Provisions	25	**11.58**	9.94
Sub total		**4,926.83**	4,519.17
Total Equity and Liabilities		**13,790.98**	14,054.28

See accompanying notes "1" to "48" to the financial statement.

As per our Report of even date

For Chaturvedi & Shah LLP
Firm Registration No.101720W/W100355
Chartered Accountants

For and on behalf of the Board

Kushagra Bajaj
Chairman & Managing Director
DIN: 00017575

Lalit R. Mhalsekar
Partner
Membership No. 103418

Alok Kumar Vaish
Chief Financial Officer
M. No. F089930

D.K. Shukla
Independent Director
DIN: 00025409

Vipulkumar S. Modi
Independent Director
DIN: 06985276

Pradeep Parakh
Group President (GRC) &
Company Secretary
M. No. F6171

Shalu Bhandari
Independent Director
DIN: 00012556

Mumbai, May 22, 2019

Consolidated Statement of Profit & Loss for the year ended March 31, 2019

Particulars	Note	Year ended March 31, 2019 ₹ Crore	Year ended March 31, 2018 ₹ Crore
INCOME :			
Revenue from operations	26	**6,806.39**	5,942.71
Other income	27	**95.89**	100.98
Total income		**6,902.28**	6,043.69
EXPENSES :			
Cost of materials consumed	28	**5,658.63**	4,900.53
Changes in Inventories of finished goods, stock-in-trade and work-in-progress	29	**106.42**	(2.60)
Excise duty on goods sold	30	**-**	95.99
Employee benefits expense	31	**275.29**	249.64
Finance costs	32	**321.78**	680.17
Depreciation and amortisation expense	33	**204.23**	197.45
Other expenses	34	**469.87**	427.04
Total expenses		**7,036.22**	6,548.22
Profit/ (Loss) before exceptional items and tax		**(133.94)**	(504.53)
Exceptional items		**-**	-
Profit/(Loss) before tax		**(133.94)**	(504.53)
Tax expenses			
Current tax		**-**	-
Deferred tax	19	**2.58**	4.95
Tax relating to earlier year		**0.05**	(9.84)
Total tax		**(2.63)**	(4.89)
Profit / (Loss) for the year after tax		**(136.57)**	(499.64)
Less: Non-controlling interest*		**(0.01)**	(0.00)
Profit / (Loss) attributable to group		**(136.56)**	(499.64)
Other comprehensive income			
- Items that will not be reclassified to profit or loss	35	**(37.86)**	(51.05)
- Income tax relating to items that will not be reclassified to profit or loss	35	**10.77**	16.34
		(27.09)	(34.71)
Total Comprehensive Income for the year (Comprising Profit / (Loss) and Other Comprehensive Income for the year)		**(163.65)**	(534.35)
Profit is attributable to:			
Shareholders		**(136.56)**	(499.64)
Non-controlling interest*		**(0.01)**	(0.00)
		(136.57)	(499.64)
Other comprehensive income is attributable to:			
Shareholders		**(27.09)**	(34.71)
Non-controlling interest		**-**	-
		(27.09)	(34.71)
Total comprehensive income is attributable to:			
Shareholders		**(163.65)**	(534.35)
Non-controlling interest*		**(0.01)**	(0.00)
		(163.66)	(534.35)
Earnings per equity share of face value of ₹1/- each			
Basic and Diluted	37	**(1.24)**	(4.54)
* Non-controlling interest (P.Y. ₹ 29,118/-)			

See accompanying notes "1" to "48" to the financial statement.

As per our Report of even date

For Chaturvedi & Shah LLP
Firm Registration No.101720W/W100355
Chartered Accountants

For and on behalf of the Board

Kushagra Bajaj
Chairman & Managing Director
DIN: 00017575

Lalit R. Mhalsekar
Partner
Membership No. 103418

Alok Kumar Vaish
Chief Financial Officer
M. No. F089930

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Vipulkumar S. Modi
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Pradeep Parakh
Group President (GRC) &
Company Secretary
M. No. F6171

Shalu Bhandari
Independent Director
DIN: 00012556

Mumbai, May 22, 2019

Consolidated Cash Flow Statement for the year ended March 31, 2019

Particulars	Year ended March 31, 2019 ₹ Crore	Year ended March 31, 2018 ₹ Crore
A. Cash flow from operating activities:		
Net profit / (loss) before tax	**(133.94)**	(504.53)
Adjustment for:		
Depreciation and amortisation	**204.23**	197.45
Reversal of reserve for molasses storage tank - for repair work	**(1.21)**	-
Provision for doubtful debts / bad debts written off	**6.17**	15.05
Provision for doubtful advances	**1.18**	-
Loss on fair valuation of land	**1.78**	-
Loss / (surplus) on sale of fixed assets (net)	**0.06**	(1.09)
Finance costs	**321.78**	680.17
Interest income	**(80.41)**	(82.22)
Exchange fluctuation reserve on consolidation	**0.43**	(1.49)
	454.01	807.87
Operating profit before working capital changes	**320.07**	303.34
Adjustment for:		
Trade and other receivables	**26.26**	(43.82)
Inventories	**82.90**	161.64
Trade and other payables	**687.47**	498.38
Cash generated from operations	**1,116.70**	919.54
Direct taxes paid	**1.01**	33.69
Net cash from / (used in) operating activities	**1,117.71**	953.23
B. Cash flow from investing activities:		
Purchase of fixed assets	**(16.74)**	(34.47)
Sale of fixed assets	**8.13**	1.66
Movement in loans and advances	**1.86**	-
Interest received	**3.03**	4.08
Net cash from / (used) in investing activities	**(3.72)**	(28.73)
C. Cash flow from financing activities:		
Repayment of long-term borrowings	**(623.71)**	(483.65)
Proceeds from short-term borrowings (net of repayments)	**(156.86)**	(84.38)
Share issue expenses	**-**	-
Interest paid	**(317.64)**	(350.04)
Dividend paid	**(0.17)**	(0.13)
Net cash from / (used in) financing activities	**(1,098.38)**	(918.20)
Net increase/(decrease) in cash and cash equivalents	**15.61**	6.30
Cash and cash equivalents (opening balance)	**38.28**	31.98
Cash and cash equivalents (closing balance) (refer Note 10)	**53.89**	38.28

Notes:-
1. The above cash flow statement has been prepared under the "Indirect Method" as per Indian Accounting Standard (Ind AS)-7
2. Figures in brackets indicate cash outflow and without brackets indicate cash inflow
3. Change in liability arising from financing activities

Particulars	Non-current Borrowings	Current maturities of Long-Term Borrowings	Current Borrowings	Total
As at April 1, 2018	5,892.42	742.09	161.27	6,795.78
Cash flow	(521.60)	(102.11)	(156.86)	(780.57)
Non cash transaction	11.27	-	-	11.27
As at March 31, 2019	5,382.09	639.98	4.41	6,026.48

Non-cash transaction

4. Notional interest ₹ 11.27 crore on promoter's loan credited to promoter's loan account (Refer Note 17.4)

See accompanying notes "1" to "48" to the financial statement.

As per our Report of even date

For Chaturvedi & Shah LLP
Firm Registration No.101720W/W100355
Chartered Accountants

Lalit R. Mhalsekar
Partner
Membership No. 103418

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M. No. F089930

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Independent Director
DIN: 00012556

Vipulkumar S. Modi
Independent Director
DIN: 06985276

Mumbai, May 22, 2019

Consolidated Statement of Change in Equity for the year ended March 31, 2019

A Equity share capital

₹ Crore

Particulars	Amount
Equity share capital as at April 1, 2017	113.36
Change during the year	-
Total	113.36
Less:	
Investment in BHL Security Trust and ESOP Trust	(3.29)
Equity share capital as at March 31, 2018	110.07

Particulars	Amount
Equity share capital as at April 1, 2018	113.36
Change during the year	-
Total	113.36
Less:	
Investment in BHL Security Trust and ESOP Trust	(3.29)
Equity share capital as at March 31, 2019	110.07

B Other equity

₹ Crore

	Reserves and surplus						Item of other comprehensive income			
Particulars	Retained earnings	Capital re-demp-tion reserve	Securities premium	General reserve	Reserve for molasses storage tanks	Equity compo-nent of com-pound finan-cial instru-ment	Exchange differ-ences on translat-ing the financial state-ments of a foreign operation	Gain / (loss) on Invest-ment through FVOCI	Actuari-al gain / (loss) on employ-ee bene-fit plans through OCI	Total
As at April 01, 2017	**(1,088.48)**	**0.05**	**4,185.31**	**155.95**	**2.66**	**135.78**	**0.12**	**(24.77)**	**(11.13)**	**3,355.49**
Profit for the period	(499.64)	-	-	-	-	-	-	-	-	(499.64)
Other comprehensive income for the year	-	-	-	-	-	-	-	(36.04)	2.82	(33.22)
Transfer to molasses storage fund	(0.32)	-	-	-	0.32	-	-	-	-	-
Transfer to general reserve from molasses storage fund	-	-	-	0.10	(0.10)	-	-	-	-	-
Addition during the year in equity component of compound financial instrument	-	-	-	-	-	10.76	-	-	-	10.76
Exchange differences on translating the financial statements of a foreign operation	-	-	-	-	-		(1.49)	-	-	(1.49)

₹ Crore

	Reserves and surplus						Item of other comprehensive income			
Particulars	**Retained earnings**	**Capital re-demp-tion reserve**	**Securities premium**	**General reserve**	**Reserve for molasses storage tanks**	**Equity comp nent of com-pound finan-cial instru-ment**	**Exchange differ-ences on translat-ing the financial state-ments of a foreign operation**	**Gain / (loss) on Invest-ment through FVOCI**	**Actuari-al gain / (loss) on employ-ee bene-fit plans through OCI**	**Total**
As at March 31, 2018	**(1,588.44)**	**0.05**	**4,185.31**	**156.05**	**2.88**	**146.54**	**(1.37)**	**(60.81)**	**(8.31)**	**2,831.90**
Profit for the period	(136.56)	-	-	-	-	-	-			(136.56)
Other comprehensive income for the year	-	-	-	-	-	-	-	(23.75)	(3.77)	(27.52)
Transfer to molasses storage fund	(1.18)	-	-	-	1.18	-	-	-	-	-
Utilisation of fund for maintenance of molasses tanks	-	-	-	-	(1.21)	-	-	-	-	(1.21)
Exchange differences on translating the financial statements of a foreign operation	-	-	-	-	-	-	0.43	-	-	0.43
As at March 31, 2019	**(1,726.18)**	**0.05**	**4,185.31**	**156.05**	**2.85**	**146.54**	**(0.94)**	**(84.56)**	**(12.08)**	**2,667.04**

As per our Report of even date

For Chaturvedi & Shah LLP
Firm Registration No.101720W/W100355
Chartered Accountants

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Partner
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DIN: 06985276

Shalu Bhandari
Independent Director
DIN: 00012556

Mumbai, May 22, 2019

Notes forming part of consolidated financial statements

1 Corporate information

Bajaj Hindusthan Sugar Limited ('the Company') is a public limited company incorporated in India under the provisions of the Companies Act and its shares are listed on BSE Ltd. and National Stock Exchange of India Ltd. The registered office of the Company is situated at Golagokarannath, Lakhimpur-Kheri, District Kheri, Uttar Pradesh – 262 802, and its principal place of business is at TC-13, Vibhuti Khand, Gomti Nagar, Lucknow – 226 010. The Company is engaged in the manufacture of sugar, alcohol and generation of power.

The consolidated financial statements of the Company are for the year ended March 31, 2019 and are prepared in Indian Rupees being the functional currency. The values in Indian Rupees are rounded to crore, except otherwise indicated.

2 Accounting policies

2.01 Basis of preparation and presentation

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for:

i. Certain financial assets and liabilities measured at fair value,

ii. Defined benefit plans - plan assets measured at fair value.

The financial statements of the Company have been prepared to comply with the Indian Accounting Standards ('Ind AS') notified under Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013.

2.02 Principles of consolidation

i) The consolidated financial statements of the group have been prepared on the following basis:

- The consolidated financial statements of the group are prepared in accordance with the Indian Accounting Standard - 103 "Consolidated Financial Statements".
- The financial statements of the Company and its Subsidiary Companies have been consolidated on a line-by-line basis by adding together the book value of like items of assets, liabilities, income and expenses, after eliminating intra-group balances and intra-group transactions resulting in unrealised profits or unrealised cash losses.
- Investment in the Associate has been accounted as per the equity method as prescribed in Indian Accounting Standard - 28.
- The excess of cost of investment in the Subsidiary Companies over the Company's portion of equity of the Subsidiary at the date of investment made is recognised in the financial statements. The excess of Company's portion of equity of the Subsidiary over the cost of investment therein is treated as capital reserve.

The financial statements of foreign operation are translated as follows:

- The assets and liabilities are translated at the closing rate.
- Income and expenses items are translated at average rate prevailing during the year.
- All differences are accumulated in a foreign currency translation reserve on consolidation until the disposal of the net investment.
- The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented, to the extent possible, in the same manner as the Company's separate financial statements.
- Non-controlling interest's share of net profit of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company. Non-controlling interest's share of net assets of consolidated subsidiaries is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the Company's shareholders.

ii) Companies considered in the consolidated financial statements are:

Name of the company	Country of incorporation	Holding as on March 31, 2019	Financial year ends on
Subsidiaries:			
Bajaj Aviation Private Ltd.	India	100.00%	31.03.2019
Bajaj Power Generation Private Ltd.	India	100.00%	31.03.2019
Bajaj Hindusthan (Singapore) Private Ltd.	Singapore	100.00%	31.03.2019
PT. Batu Bumi Persada #	Indonesia	99.00%	31.12.2018
PT. Jangkar Prima #	Indonesia	99.88%	31.12.2018
Associates:			
Bajaj Ebiz Private Ltd. *	India	49.50%	31.03.2019
Esugarindia Ltd.*	India	69.67%	31.03.2019

Management has compiled the accounts for year ended March 31, 2019, in order to consolidate the accounts with that of the Holding Company.

* The Company has made provision for permanent diminution in the value of its investment in Bajaj Ebiz Private Ltd. (an associate company) and Esugarindia Ltd. (subsidiary of Bajaj Ebiz Private Ltd.). Hence, no further adjustment in the value of investment is required to be made in the consolidated financial statement.

2.03 Standard issued but not yet effective

i) Ind AS 116 Leases: On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of profit & loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The standard permits two possible methods of transition:

- Full retrospective – Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- Modified retrospective – Retrospectively, with the cumulative effect of initially applying the Standard recognised at the date of initial application

Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as:

a) Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application, or

b) An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognised under Ind AS 17 immediately before the date of initial application.

Certain practical expedients are available under both the methods.

On completion of evaluation of the effect of adoption of Ind AS 116, the Company is proposing to use the 'Modified Retrospective Approach' for transitioning to Ind AS 116, and take the cumulative adjustment to retained earnings, on the date of initial application (April 1, 2019). Accordingly, comparatives for the year ended March 31, 2019 will not be retrospectively adjusted. The Company has elected certain available practical expedients on transition.

ii) **Ind AS 12 Appendix C,** Uncertainty over Income Tax Treatments: On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition - i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and ii) Retrospectively with cumulative effect of initially applying Appendix C recognised by adjusting equity on initial application, without adjusting comparatives.

The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Company will adopt the standard on April 1, 2019 and has decided to adjust the cumulative effect in equity on the date of initial application i.e. April 1, 2019 without adjusting comparatives.

The effect on adoption of Ind AS 12 Appendix C would be insignificant in the standalone financial statements.

Amendment to Ind AS 12 – Income taxes: On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes.

The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the standalone financial statement.

iii) **Amendment to Ind AS 19** – Plan amendment, curtailment or settlement: On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements.

The amendments require an entity:

to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and

to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company does not have any impact on account of this amendment.

Summary of significant accounting policies

2.04 Current and non-current classification

The Group presents assets and liabilities in the balance sheet based on current / non-current classification.

An asset is treated as current when it is:

i) expected to be realised or intended to be sold or consumed in normal operating cycle,

ii) held primarily for the purpose of trading,

iii) expected to be realised within twelve months after the reporting period,

iv) cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period, or

v) carrying current portion of non-current financial assets.

All other assets are classified as non-current.

A liability is current when:

i) it is expected to be settled in normal operating cycle;

ii) it is held primarily for the purpose of trading;

iii) it is due to be settled within twelve months after the reporting period;

iv) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period; or

v) it includes current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

2.05 Operating cycle

All assets and liabilities have been classified as current and non-current as per the Company's normal operating

cycle and other criteria set out above which are in accordance with Schedule III to the Act. Based on the nature of services and time between the acquisition of assets for providing of services and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current / non-current classification of assets and liabilities.

2.06 Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes purchase price, taxes and duties, labour cost and direct overheads for self-constructed assets and other direct costs incurred up to the date the asset is ready for its intended use. In case of land, Company has opted to state fair value as deemed cost on date of transition to Ind AS. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major refurbishment is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in statement of profit and loss as incurred. Expenditure during construction period incurred on the projects under implementation are treated as pre-operative expenses pending allocation to the assets, and are included under "Capital Work-in-Progress". These expenses are apportioned to fixed assets on commencement of commercial production. Capital Work-in-Progress is stated at the amount incurred up to the date of Balance Sheet. Depreciation on property, plant and equipment is provided on straight line method and based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013 except, leasehold and improvements which are amortised over the lower of estimated useful life or lease period; on assets acquired under finance lease depreciation is provided over the lease term. Depreciation on assets added, sold or discarded during the year is provided on pro rata basis. Gains or losses arising from de-recognition of a property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is de-recognised. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

2.07 Leases

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease. Assets acquired under leases other than finance leases are classified as operating leases. The total lease rentals (including scheduled rental increases) in respect of an asset taken on operating lease are charged to the statement of profit and loss on a straight line basis over the lease term unless another systematic basis is more representative of the time pattern of the benefit. Initial direct costs incurred specifically for an operating lease are deferred and charged to the statement of profit and loss over the lease term.

Assets given by the Company under operating lease are included in fixed assets. Lease income from operating leases is recognised in the statement of profit and loss on a straight line basis over the lease term unless another systematic basis is more representative of the time pattern in which benefit derived from the leased asset is determined. Costs, including depreciation, incurred in earning the lease income are recognised as expenses. Initial direct costs incurred specifically for an operating lease are deferred and recognised in the statement of profit and loss over the lease term in proportion to the recognition of lease income.

2.08 Intangible assets

Intangible assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation/ depletion and impairment loss, if any. The cost comprises purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

Computer software are amortised over a period of 5 years. The amortisation period and the amortisation method for intangible assets with a finite useful life are reviewed at each reporting date.

2.09 Research & development expenditure

Revenue expenditure on Research is expensed out in the statement of profit and loss for the year. Development costs of products are charged to the statement of profit and loss unless a product's technological feasibility and commercial has been established, in which case such expenditure is capitalised. Capital expenditure on research and development is shown as an addition to fixed assets.

2.10 Borrowing Cost

Borrowing costs include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are charged to the profit and loss statement in the period in which they are incurred.

2.11 Inventories

i) Stock of raw materials is valued at cost or net realisable value whichever is lower. Cost is arrived at on FIFO Basis.

ii) Stock of materials-in-process and finished goods are valued at cost or net realisable value whichever is lower.

iii) Stores, spares and packing material are valued at cost. Cost is arrived at on Weighted Average Basis.

iv) Obsolete stores and spares when identified and technically determined, are valued at estimated realisable value.

v) By-products - molasses and bagasse has been valued at estimated realisable value.

vi) Trial run inventories are valued at cost or estimated realisable value whichever is lower.

2.12 Earnings per share

Basic EPS is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the year.

2.13 Impairment of non-financial Assets

The carrying amount of any property, plant and equipment and intangible assets with finite lives are reviewed at each balance sheet date, if there is any indication of impairment based on internal / external factors. An asset is impaired when the carrying amount of the asset exceeds the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. An impairment loss is charged to the statement of profit and loss in the year in which an asset is identified as impaired. An impairment loss recognised in prior accounting periods is reversed if there has been change in the estimate of the recoverable amount. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

2.14 Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2.15 Employee benefits

i) Short-term employee benefits:

Short-term employee benefits are recognised as expenditure at the undiscounted value in the statement of profit and loss of the year in which the related service is rendered.

ii) Post-employment benefits :

Defined contribution plans: Company's contribution to the superannuation scheme, provident fund scheme and pension under employees' pension scheme etc. are recognised during the year in which the related service is rendered. Monthly contributions are made to a trust administered by the Company. The interest rate payable by the trust to the beneficiaries is notified by the Government. The Company has an obligation to make good the shortfall, if any, between the return on the investments of the trust and the notified interest rate.

Defined benefit plans - gratuity: Gratuity liability is covered under the gratuity-cum-insurance policy of Life Insurance Corporation of India (LIC) administered by trust. The present value of the obligation is determined based on an actuarial valuation, using the projected unit credit method. Actuarial gains and losses in respect of post-employment and other long-term benefits are charged to the Other Comprehensive Income. The amount funded by the trust administered by the Company under the aforesaid Policy, is reduced from the gross obligation under the defined benefit plan, to recognise the obligation on a net basis.

iii) Long-term compensated absences are provided on the basis of actuarial valuation.

iv) Compensation to employees under Voluntary Retirement Scheme is charged to statement of profit and loss account in the year of accrual.

2.16 Taxation

i) Provision for current tax is made with reference to taxable income computed for the accounting period for which the financial statements are prepared by applying the tax rates and laws that are enacted or substantively enacted at the Balance sheet date. The tax is recognised in statement of profit and loss, except to the extent that it related to items recognised in the other comprehensive income (OCI) or in other equity. In this case, the tax is also recognised in other comprehensive income and other equity.

ii) Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period. Deferred tax asset on unabsorbed depreciation and carried forward losses is recognised only to the extent of deferred tax liability.

iii) Credit of MAT is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the statement of profit and loss account and shown as MAT credit entitlement. The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

2.17 Cash and cash equivalents

Cash and cash equivalents includes cash in hand and deposits with any qualifying financial institution repayable on demand or maturing within three months from the date of acquisition and which are subject to an insignificant risk of change in value.

2.18 Foreign Currencies

i) Foreign currency transactions are recorded at the rates of exchange prevailing on the date of transaction. Monetary foreign currency assets and liabilities outstanding at the close of the financial year are revalued at the exchange rates prevailing on the balance sheet date. Exchange differences arising on account of fluctuation in the rate of exchange is recognised in the statement of profit and loss. However, in respect of long-term foreign currency monetary items taken prior to April 1, 2015 being the date of transition to Ind AS, the exchange difference relating to acquisition of capital assets, has been adjusted to the capital assets.

ii) Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or statement of profit and loss are also recognised in OCI or statement of profit and loss, respectively).

2.19 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment, including excise duty and excluding taxes or duties collected on behalf of the government (other than excise duty).

Revenue is recognised only if the following conditions are satisfied:

- The Company has transferred risks and rewards incidental to ownership to the customer;
- The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- It is probable that the economic benefit associated with the transaction will flow to the Company; and
- It can be reliably measured and it is reasonable to expect ultimate collection.

The revenue from sale of renewable energy certificates (REC) recognised in the year of sale.

Export incentives accrued under foreign trade policy are accounted for in the year of export.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividend income is recognised when the right to receive payment is established.

2.20 Government grants

The Government grants such as capital subsidies under Sugar Promotion Policy, 2004, interest free or concessional interest rate loans and subsidies related to sugar cane purchased are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to statement of profit and loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments. When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to the financial liabilities.

2.21 Financial Instruments

i) Financial assets

A Initial recognition

The Company classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement. Financial instruments are recognised when the group becomes a party to the contractual provisions of the instrument. Financial instruments are recognised initially at fair value plus transactions costs that are directly attributable to the acquisition or issue of the financial instrument, except for financial assets at fair value through statement of profit and loss, which are initially measured at fair value, excluding transaction costs (which is recognised in statement of profit and loss).

B Subsequent measurement

a) Financial assets carried at amortised cost (AC)

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c) Financial assets at fair value through statement of profit and loss (FVTPL)

Equity instruments

All equity investments in scope of Ind AS 109 are measured at fair value either as at FVTOCI or FVTPL. The company makes such election on instrument-by-instrument basis.

For equity instruments measured as at FVTOCI, all fair value changes on the instrument, excluding dividends, are recognised in the OCI. Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the P&L.

Investment in subsidiaries and associates

Investment in subsidiaries and associates are carried at cost.

Treasury shares

The Company has created a Securities Trust that holds the equity shares of the Company, which were allotted to the Trust in 2010 pursuant to the Scheme of amalgamation of its erstwhile subsidiary Bajaj Hindusthan Sugar and Industries Ltd. The Company uses Trust as a separate vehicle under the said scheme and treats as its extension and shares held by Trust are treated as treasury shares. The own equity shares that reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in statement of profit and loss on the purchase, sale, issue or cancellation of the Company's own equity shares. Corresponding amount of security premium is reduced from other equity.

d) Impairment of financial assets

The Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

1. Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
2. Financial assets that are debt instruments and are measured as at FVTOCI
3. Lease receivables
4. Trade receivables or any contractual right to receive cash or another financial asset
5. Loan commitments which are not measured as at FVTPL
6. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables; and all lease receivables

The application of simplified approach does not require the Company to track changes in credit risk rather; it recognises impairment loss allowance based on 12 months ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ii) Financial liabilities

A Initial recognition and measurement

All financial liabilities are recognised initially at fair value and in case of loans and borrowings and payables, net of directly attributable cost. Fees of recurring nature are directly recognised in statement profit and loss as finance cost.

B Subsequent measurement

Financial liabilities are subsequently carried at amortised cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

a) Loans and borrowings

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in statement of profit and loss when liabilities are derecognised. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance cost in the statement of profit and loss.

b) Compound Financial Instruments

At the issue date, the fair value of the liability component of a compound instrument is estimated using the market interest rate for a similar non-convertible instrument. This amount is recorded as a liability at amortised cost using the effective interest method until extinguished upon conversion or at the instrument's redemption date. The equity component is determined as the difference of the amount of the liability component from the fair value of the instrument. This is recognised in equity, net of income tax effects, and is not subsequently re-measured.

iii) De-recognition of financial instruments

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for de-recognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognised from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

iv) Fair value of financial instruments

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices. All methods of assessing fair value result in general approximation of value, and such value may vary from actual realisation on future date.

v) Derivative financial instruments

Derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to statement of profit and loss, except for the effective portion of cash flow hedges which is recognised in Other Comprehensive Income and later to statement of profit or loss when the hedge item effects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial assets or non-financial liability.

2.22 Non-current assets held for sale / distribution to owners and discontinued operations

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less cost to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the assets (or disposal group) to fair value less cost to sell. A gain is recognised for any subsequent increases in fair value less cost to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

Non-current assets (including that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of profit and loss.

2.23 Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

i) Depreciation and useful lives of property, plant and equipment

Property, plant and equipment are depreciated over the estimated useful lives of the assets, after taking into account their estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation for future periods is adjusted if there are significant changes from previous estimates.

ii) Recoverability of trade receivable

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

iii) Provisions

Provisions and liabilities are recognised in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

iv) Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where

the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transaction are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

v) Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

vi) Fair value measurement of financial instruments

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

vii) Recognition of Minimum Alternative Tax (MAT) as an asset

Minimum Alternative Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period; in the year in which the MAT credit becomes eligible to be recognised as an asset. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

viii) Material uncertainty about going concern

In preparing financial statements, management has made an assessment of Company's ability to continue as a going concern. Financial statements are prepared on a going concern basis. The Management is aware, in making its assessment, of material uncertainties related to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern. Further details on going concern are disclosed in Note No. 45.

3 Property, plant and equipment

₹ Crore

Sr. No.	DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Particulars	As at April 1, 2018	Additions	Deductions & Adjustments	**As at March 31, 2019**	As at April 1, 2018	For the Year	Deductions & Adjustments	**Up to March 31, 2019**	**As at March 31, 2019**	As at March 31, 2018
(A)	**TANGIBLE ASSETS :**										
1.	Freehold Land	3,714.33	-	1.78	**3,712.55**	-	-	-	**-**	**3,712.55**	3,714.33
2.	Leasehold Land	1.02	-	-	**1.02**	0.27	0.03	-	**0.30**	**0.72**	0.75
3.	Buildings	1,276.09	1.92	0.05	**1,277.96**	303.80	29.08	0.01	**332.87**	**945.09**	972.29
4.	Plant & Machinery	5,393.09	65.21	0.85	**5,457.45**	2,619.89	175.13	0.44	**2,794.58**	**2,662.87**	2,773.20
5.	Furniture, Fixtures & Office Equipments	46.86	0.41	0.19	**47.08**	42.28	1.21	0.18	**43.31**	**3.77**	4.58
6.	Vehicles & Aircraft	139.16	0.45	2.00	**137.61**	61.27	6.41	1.90	**65.78**	**71.83**	77.89
	Total (A)	10,570.55	67.99	4.87	**10,633.67**	3,027.51	211.86	2.53	**3,236.84**	**7,396.83**	7,543.04
(B)	**INTANGIBLE ASSETS :**										
7.	Goodwill on Consolidation	85.90	-	7.63	**78.27**	85.90	(7.63)	-	**78.27**	**-**	-
8.	Computer Software*	0.02	-	-	**0.02**	0.02	-	-	**0.02**	**0.00**	0.00
	Total (B)	85.92	-	7.63	**78.29**	85.92	(7.63)	-	**78.29**	**0.00**	0.00
	Total (A)+(B)	10,656.47	67.99	12.50	**10,711.96**	3,113.43	204.23	2.53	**3,315.13**	**7,396.83**	7,543.04
	Previous Year Total	10,657.86	5.07	6.46	10,656.47	2,921.88	197.45	5.90	3,113.43	7,543.04	7,735.98
(C)	**CAPITAL WORK IN PROGRESS :**	75.41	18.64	67.70	**26.35**	-	-	-	-	**26.35**	75.41
	Grand Total	**10,731.88**	**86.63**	**80.20**	**10,738.31**	**3,113.43**	**204.23**	**2.53**	**3,315.13**	**7,423.18**	7,618.45
	Previous Year Grand Total	10,703.69	39.79	11.60	10,731.88	2,921.88	197.45	5.90	3,113.44	7,618.45	

*Computer software net block as on March 31, 2019 of ₹ 4/- (March 31, 2018 ₹ 4/-)

Note

(i) Assets pledged as security refer Note No. 17.3

(ii) Particulars of Capital Work-in-Progress:

Particulars	As at April 1, 2018	Additions	Deductions & Adjustments	As at March 31, 2019
Plant & Machinery / Civil Work-in-Progress	69.24	18.62	67.70	**20.16**
Preoperative project expenses:				
Rates and taxes	2.08	-	-	**2.08**
Professional charges	0.53	0.01	-	**0.54**
Miscellaneous expenses	0.29	0.01	-	**0.30**
Interest and finance charges	3.26	-	-	**3.26**
Depreciation	0.01	-	-	**0.01**
Sub Total preoperative project expenses	6.17	0.02	-	**6.19**
Total	75.41	18.64	67.70	**26.35**

₹ Crore

Sr. No.	DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Particulars	As at April 1, 2017	Additions	Deductions & Adjustments	**As at March 31, 2018**	As at April 1, 2017	For the Year	Deductions & Adjustments	**Up to March 31, 2018**	**As at March 31, 2018**	As at March 31, 2017
(A)	**TANGIBLE ASSETS :**										
1.	Freehold Land	3,714.33	-	-	**3,714.33**	-	-	-	**-**	**3,714.33**	3,714.33
2.	Leasehold Land	1.02	-	-	**1.02**	0.24	0.03	-	**0.27**	**0.75**	0.78
3.	Buildings	1,275.23	0.87	0.01	**1,276.09**	275.35	28.45	-	**303.80**	**972.29**	999.88
4.	Plant & Machinery	5,389.84	3.30	0.05	**5,393.09**	2,458.89	161.03	0.03	**2,619.89**	**2,773.20**	2,930.95
5.	Furniture, Fixtures & Office Equipments	46.21	0.80	0.15	**46.86**	41.29	1.14	0.15	**42.28**	**4.58**	4.92
6.	Vehicles & Aircraft	145.31	0.10	6.25	**139.16**	60.19	6.80	5.72	**61.27**	**77.89**	85.12
	Total (A)	10,571.94	5.07	6.46	**10,570.55**	2,835.96	197.45	5.90	**3,027.51**	**7,543.04**	7,735.98
(B)	**INTANGIBLE ASSETS :**										
7.	Goodwill on Consolidation	85.90	-	-	**85.90**	85.90	-	-	**85.90**	**-**	-
8.	Computer Software*	0.02	-	-	**0.02**	0.02	-	-	**0.02**	**-**	0.00
	Total (B)	85.92	-	-	**85.92**	85.92	-	-	**85.92**	**-**	0.00
	Total (A)+(B)	10,657.86	5.07	6.46	**10,656.47**	2,921.88	197.45	5.90	**3,113.43**	**7,543.04**	7,735.98
	Previous Year Total	10,657.27	5.83	5.24	10,657.86	2,683.24	243.18	4.54	2,921.88	7,735.98	7,974.03
(C)	**CAPITAL WORK IN PROGRESS :**	45.83	34.72	5.14	**75.41**	-	-	-	**-**	**75.41**	45.83
	Grand Total	**10,703.69**	**39.79**	**11.60**	**10,731.88**	**2,921.88**	**197.45**	**5.90**	**3,113.43**	**7,618.45**	7,781.81
	Previous Year Grand Total	10,685.88	28.95	11.14	10,703.69	**2,683.24**	**243.18**	**4.54**	2,921.88	7,781.81	

*Computer software net block as on March 31, 2018 of ₹ 4/- (March 31, 2017 ₹ 4/-)

Note

(i) Assets pledged as security refer Note 17.3

(ii) Particulars of Capital Work-in-Progress:

Particulars	As at April 1, 2017	Additions	Deductions & Adjustments	As at March 31, 2018
Plant & Machinery / Civil work-in-progress	39.66	34.72	5.14	**69.24**
Preoperative project expenses:				
Rates and taxes	2.08	-	-	**2.08**
Professional charges	0.53	-	-	**0.53**
Miscellaneous expenses	0.29	-	-	**0.29**
Interest and finance charges	3.26	-	-	**3.26**
Depreciation	0.01	-	-	**0.01**
Sub Total preoperative project expenses	6.17	-	-	**6.17**
Total	45.83	34.72	5.14	**75.41**

		As at March 31, 2019 ₹ Crore	As at March 31, 2018 ₹ Crore
4	**Non-current investments**		
	Trade investments		
	Investment classified at cost		
	In Equity Shares of associates		
	Unquoted, fully paid-up (Equity method)		
	11,48,400 (P.Y. 11,48,400) Shares of Bajaj Ebiz Pvt. Ltd. of ₹10/- each	**1.15**	1.15
	Less: Provision for diminution in value of investments	**(1.15)**	(1.15)
		-	-
	9,000 (P.Y. 9,000) Shares of Esugarindia Ltd. of ₹10/- each	**0.01**	0.01
	Less: Provision for diminution in value of investments	**(0.01)**	(0.01)
		-	-
	Total Trade Investments	**-**	-
	Non-Trade Investments		
	Investments classified at fair value through other comprehensive income		
	In Equity Shares of other companies		
	Unquoted, fully paid-up		
	1,54,39,900 (P.Y. 1,54,39,900) Shares of Lalitpur Power Generation	**-**	770.13
	Company Ltd. of ₹10/- each	**-**	770.13
	In Preference Shares of other companies		
	Unquoted, fully paid-up		
	3,50,03,927 (P.Y. 3,50,03,927) 6% Redeemable Non-Cumulative Non Convertible Preference Shares of Phenil Sugars Ltd. of ₹ 100/- each	**350.04**	350.04
	Less: Provision for diminution in value of investments	**(350.04)**	(350.04)
		-	-
	In Debentures of other company		
	Unquoted, fully paid-up		
	3,70,48,321 (P.Y. 3,70,48,321) Zero Coupon Optionally Convertible Debentures of Phenil Sugars Ltd. of ₹ 100/- each	**370.48**	370.48
	Less: Provision for diminution in value of investments	**(216.55)**	(182.03)
		153.93	188.45
	Total Non-trade investments	**153.93**	958.58
	Total	**153.93**	958.58
	Aggregate value of unquoted investment	**153.93**	958.58
	Categorywise non-current investments		
	Financial assets measure at fair value through other comprehensive income	**153.93**	958.58
	Total	**153.93**	958.58
5	**Other non-current assets**		
	(Unsecured considered good)		
	Fixed deposits *	**4.01**	2.35
		4.01	2.35

* Having maturity after 12 months from the reporting date and earmarked ₹ 4.01 crore (P.Y. ₹ 2.35 crore) for specific purposes.

		As at March 31, 2019 ₹ Crore	As at March 31, 2018 ₹ Crore
6	**Other non-current assets**		
	(Unsecured considered good unless otherwise stated)		
	Advance for purchase of land	**248.00**	250.19
	Taxes paid under protest	**5.65**	5.81
	Security deposit to related parties (refer Note 39)	**5.06**	5.03
	Security deposits - Good	**2.81**	3.28
	Security deposits - Doubtful	**0.30**	-
	Provision for bad and doubtful - Security deposit	**(0.30)**	-
		-	-
		261.52	264.31
7	**Inventories**		
	(At cost or net realisable value whichever is lower, unless otherwise stated)		
	Raw materials	**6.36**	5.36
	Stores, spares & packing materials	**84.29**	61.77
	Finished goods	**2,516.90**	2,655.03
	By-products	**101.25**	70.72
	Work-in-process	**56.18**	55.00
		2,764.98	2,847.88
	- Includes inventories of ₹ 1,754.02 crore (P.Y. ₹ 2,591.14 crore) carrying at fair value less cost to sale.		
	- Inventories pledged as a securities - refer Note 17.3.		
8	**Current investments**		
	Investments classified at fair value through other comprehensive income		
	In Equity Shares of other companies Unquoted, fully paid-up		
	1,54,39,900 (P.Y.1,54,39,900) Shares of Lalitpur Power Generation Company Ltd. of ₹ 10/- each #	**770.13**	-
	Investments at fair value through profit or loss in		
	Debentures of other company Unquoted, fully paid-up		
	2,66,85,000 (2,66,85,000) Zero Coupon Optionally Convertible Debentures of Lambodar Stocks Private Ltd. of ₹ 100/- each*	**266.85**	266.85
		1,036.98	266.85
	# These investments are pledged against loans taken by Company and Lalitpur Power Generation Company Ltd.		
	* Company's name has been changed "Lambodar Stocks Private Ltd." w.e.f. 25.04.2017.		
9	**Trade receivables**		
	(Unsecured considered good unless otherwise stated)		
	Considered good	**181.34**	169.33
	Considered doubtful	**26.79**	20.62
	Less : Provision for doubtful debts	**(26.79)**	(20.62)
		-	-
		181.34	169.33
10	**Cash and cash equivalents**		
	Balance with banks:		
	Current account	**36.31**	37.61
	Cheques, draft on hand	**17.04**	0.12
	Cash on hand	**0.54**	0.55
		53.89	38.28

		As at March 31, 2019 ₹ Crore	As at March 31, 2018 ₹ Crore
11	**Bank balances**		
	Balance with banks (unpaid dividend)	**0.19**	0.37
	Fixed deposits *	**13.29**	24.99
		13.48	25.36
	* Includes ₹ 10.55 crore (P.Y. ₹ 21.97 crore) earmarked for specific purposes		
12	**Loans and interest accrued**		
	(Unsecured considered good, unless otherwise stated)		
	Loans & advances to others - good	**658.95**	660.81
	- doubtful	**2.29**	2.29
	- Sub total	**661.24**	663.10
	Less:- Provision for doubtful loans & advances	**(2.29)**	(2.29)
		658.95	660.81
	Interest receivable on loans - others	**441.09**	363.75
		1,100.04	1,024.56
	***Out of above:**		
	Secured by pledge of investment	**511.86**	474.02
	Unsecured	**590.47**	552.83
		1,102.33	1,026.85
13	**Current tax assets (net)**		
	Advance income tax (net of provisions)		
	At the start of year	**17.55**	41.40
	Charged during the year	**2.83**	0.94
	Refund received during the year	**(3.19)**	(17.85)
	Others	**(0.70)**	(6.94)
	At the end of year	**16.49**	17.55
14	**Other current assets**		
	(Unsecured considered good)		
	MAT credit entitlement	**79.44**	79.44
	Receivable under SPP (refer Note 44)	**592.39**	589.90
	Claim / refund recoverable in cash or in kind or for value to be received	**14.58**	51.85
	Duty drawback receivable	**0.09**	0.77
	Other advances* - good	**94.64**	93.92
	- doubtful	**0 .88**	-
		782.02	815.88
	Less: Provision for doubtful advances	**(0.88)**	-
		781.14	815.88
	* Includes advances given to suppliers, vendors and employees and other advances recoverable in cash or in kind.		

	As at March 31, 2019 ₹ Crore	As at March 31, 2018 ₹ Crore
15 Equity share capital		
Authorised:		
5,00,00,00,000 (P.Y. 5,00,00,00,000) Equity Shares of ₹ 1/- each	**500.00**	271.00
	500.00	271.00
Issued:		
1,17,92,31,364 (P.Y. 1,17,92,31,364) Equity Shares of ₹ 1/- each	**117.92**	117.92
	117.92	117.92
Subscribed and Paid-up:		
1,13,35,59,942 (P.Y. 1,13,35,59,942) Equity Shares of ₹ 1/- each	**113.36**	113.36
	113.36	113.36
Less:		
Interest in BHL Securities Trust 3,11,00,000 (P.Y. 3,11,00,000) Equity Shares of ₹ 1/- (refer Note (v))	**3.11**	3.11
Shares held by ESOP Trust 17,80,00,000 (P.Y. 17,80,000) Equity Shares of ₹ 1/- (Refer Note (v))	**0.18**	0.18
	3.29	3.29
	110.07	110.07

(i) Detail of shares allotted without payment being received in cash during five years immediately preceding the Balance Sheet date are given below:

49,41,60,031 (P.Y. 49,41,60,031) Equity Shares have been issued for consideration other than cash to lender banks on conversion of Funded Interest Term Loan (FITL) as per Master Restructuring Agreement (MRA) during the FY 2015-16 and 2016-17.

(ii) The reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year:

Particulars	As at March 31, 2019 No. of Shares	As at March 31, 2018 No. of Shares
Equity Shares (with voting rights) at the beginning of the year	**1,13,35,59,942**	1,13,35,59,942
Equity Shares at the end of the year	**1,13,35,59,942**	1,13,35,59,942

(iii) Terms / Rights of equity shares:

The Company has one class of equity shares having par value of ₹ 1/- per share. All equity shares are ranking pari passu in all respects including dividend. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive the realised value of the assets of the Company, remaining after payment of all preferential dues. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iv) The details of Shareholders holding more than 5% shares:

		As at March 31, 2019		As at March 31, 2018	
Sr. No.	**Name of Shareholders**	**No. of Shares**	**% held**	No. of Shares	% held
1	Bajaj Resources Ltd.	**8,19,44,455**	**7.23%**	8,19,44,455	7.23%
2	Punjab National Bank	**8,52,25,312**	**7.52%**	8,52,25,312	7.52%
3	IDBI Bank Limited	**6,36,67,200**	**5.62%**	6,36,67,200	5.62%
4	Allahabad Bank	**6,29,28,861**	**5.55%**	6,29,28,861	5.55%
5	Central Bank of India	**5,66,86,905**	**5.00%**	5,66,86,905	5.00%

(v) Company hold beneficial interest in BHL Security Trust which holds 3.11 crore shares of the Company allotted on amalgamation of its subsidiary Bajaj Hindusthan Sugar and Industries Limited in 2010. Company has also formed ESOP trust under the ESOP scheme. Company has an advance ₹ 8.69 crore to ESOP Trust which hold 0.18 crore equity shares. Face value of these shares are treated as treasury shares as per Ind AS 32 – Financial Instruments – Presentation and shown as reduction from equity. Excess of carrying value of these shares over the face value are reduced from securities premium.

		As at March 31, 2019 ₹ Crore	As at March 31, 2018 ₹ Crore
16	**Other equity**		
	Capital redemption reserve		
	Opening balance	**0.05**	0.05
	Closing balance	**0.05**	0.05
	Securities premium		
	Opening balance	**4,185.31**	4,185.31
	Closing balance	**4,185.31**	4,185.31
	Equity Component of compound Financial Instrument		
	Opening balance	**146.54**	135.78
	Addition during the year	**-**	10.76
	Closing balance	**146.54**	146.54
	General reserve		
	Opening balance	**156.05**	155.95
	Transferred from reserve for molasses storage tanks	**-**	0.10
	Closing balance	**156.05**	156.05
	Reserve for molasses storage tanks		
	Opening balance	**2.88**	2.66
	Transferred from statement of profit & loss	**1.18**	0.32
	Utilisation of fund for maintenance of molasses tank	**(1.21)**	(0.10)
	Closing balance	**2.85**	2.88
	Gain / (loss) on Investment through FVOCI		
	Opening balance	**(60.81)**	(24.77)
	Change in during the year	**(23.75)**	(36.04)
	Closing balance	**(84.56)**	(60.81)
	Actuarial gain / (loss) on employee benefit plans		
	Opening balance	**(8.31)**	(11.13)
	Change in during the year	**(3.77)**	2.82
	Closing balance	**(12.08)**	(8.31)
	Exchange differences on translating the financial statements of a foreign operation		
	Opening balance	**(1.37)**	0.12
	Change during the year	**0.43**	(1.49)
	Closing balance	**(0.94)**	(1.37)
	Statement of profit and loss (retained earnings)		
	Opening balance	**(1,588.44)**	(1,088.48)
	Profit/(loss) for the year	**(136.56)**	(499.64)
	Appropriations:		
	Transferred to reserve for molasses storage tanks	**(1.18)**	(0.32)
	Closing balance	**(1,726.18)**	(1,588.44)
		2,667.04	2,831.90

Nature and description of reserve:

- Capital Redemption Reserve: Whenever company redeems its preference shares or buys its own shares which reduces its share capital, then capital redemption reserve is created by face value of its shares.
- Securities Premium Reserve: The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve.
- General Reserve: General Reserve was created by transferring a portion of the net profit of the Company as per the requirements of the Companies Act, 1956.
- Molasses Storage Reserve Fund is created as per provisions under Molasses Control (Regulation of Fund and Erection of Storage Facilities) Order,1976.
- Retained Earnings: Remaining portion of profits earned or accumulated losses by the Company till date after appropriations.

	As at March 31, 2019 ₹ Crore	As at March 31, 2018 ₹ Crore
17 Non-current borrowings		
(At amortised cost)		
From banks		
Secured Debentures	**3,483.25**	3,483.25
Secured Term Loan	**1,791.50**	2,306.22
	5,274.75	5,789.47
From related parties		
Unsecured	**105.15**	93.88
	105.15	93.88
From others		
Secured	**1.92**	8.80
Unsecured	**0.27**	0.27
	2.19	9.07
	5,382.09	5,892.42

17.1 34,83,24,626 (P.Y. 34,83,24,626) Unlisted, Unrated, Redeemable, Optionally Convertible Debentures (Series 1/ 2017-18) of ₹ 100/- each issued on Preferential basis to the lenders in accordance with S4A Scheme on December 18, 2017. Debentures are to be redeemed in 13 equal annual instalments starting from March 31, 2025. The coupon rate for year 1&2 is 0.01% p.a., for year 3 & 4 is 1.00% p.a. and thereafter 2.50% p.a., payable annually on the last date of every financial year. The redemption premium is payable on redemption of debentures to be decided by lenders at going weighted average interest cost, so that there is no NPV loss to the lenders.

On occurrence of event of default, lenders has the right to convert all outstanding debentures into equity shares at the conversion price to be determined in accordance with guidelines of RBI.

Due to losses incured by the Company during the year, Debentures Redemption Reserve as required by the Companies Act, 2013 has not been created.

17.2 Maturity profile of term loans are set out below:

₹ Crore

Name of banks/ financial institutions	**Interest (%)**	**Outstanding as at March 31, 2019**	**Maturity profile**					
			Current Maturities (0-1 Year)	**2nd Year**	**3rd Year**	**4th Year**	**Beyond 4 Years**	**Refer Note No.**
From Banks - Term loan secured	11.05% to 12%	2,424.04	632.54	488.88	434.38	434.38	433.86	17.3 (i)
Total		**2,424.04**	**632.54**	**488.88**	**434.38**	**434.38**	**433.86**	
From others								
Sugar Development Fund (SDF)	4.00%-8.25%	8.80	6.88	1.92	-	-	-	17.3 (ii)
Total - Secured		**2,432.84**	**639.42**	**490.80**	**434.38**	**434.38**	**433.86**	

₹ Crore

Name of banks/ financial institutions	Interest (%)	Outstanding as at March 31, 2019	Maturity profile					
			Current Maturities (0-1 Year)	2nd Year	3rd Year	4th Year	Beyond 4 Years	Refer Note No.
Term loans (Unsecured)								
From related parties								
Loan from promoters 1		103.71	-	-	-	-	103.71	17.4 (i)
Loan from promoters 2		1.44	-	-	-	-	1.44	17.4 (ii)
Total from related parties		**105.15**	**-**	**-**	**-**	**-**	**105.15**	
From others								
Department of Commercial Tax of Uttar Pradesh	Interest free	0.83	0.56	0.27	-	-	-	
Total - Unsecured		**105.98**	**0.56**	**0.27**	**-**	**-**	**105.15**	
Grand Total		**2,538.82**	**639.98**	**491.07**	**434.38**	**434.38**	**539.01**	

17.3 Details of securities

(i) Term Loans and debentures from Banks are secured on first pari passu charge basis, by way of mortgage over all immovable fixed assets and hypothecation over all movable fixed assets (both present and future) of the Company, on first pari passu charge by way of hypothecation over all current assets (both present & future) of the Company. The said loans are further secured by personal guarantee of Managing Director (Promoter) and corporate guarantee by a promoter group company, pledge of entire shares held by the Promoters of the company and 33,00,001 shares of Bajaj Energy Ltd. held by promoters group company.

(ii) The Sugar Development Fund loan (SDF) from Government of India is secured on exclusive second charge basis, by hypothecation of the whole of movable fixed assets and properties and by mortgage on the whole of immovable fixed assets and properties of the concerned sugar unit of the Company.

17.4 Loan from promoters

(i) As per terms of restructuring approved by lenders, the promoters are required to bring promoter contribution amounting to ₹ 200 crore in phased manner till September 2015 in the form of equity capital/preference capital/ unsecured loan/other similar instruments. An amount of ₹ 200 crore has been brought by promoters as unsecured loan within stipulated period. Interest if any, payable shall be determined after the restructuring period is completed. Presently, said amount is treated as unsecured loan with the option to convert into equity/preference or any other similar instrument. As per Ind AS 32, contribution amount received is classified as compound instrument bifurcated into ₹ 64.22 crore as debt and ₹ 135.78 crore as other equity by discounting the amount @12% p.a. for a tenure of 10 years. The unwinding of discount in subsequent periods on loan component is recognised in the statement of profit & loss.

(ii) As per the approved restructuring of loan under S4A Scheme, promoter/promoters group has transferred 11,99,87,344 equity shares of ₹ 1/- per equity share to lenders as per overseeing committee recommendation as part payment of unsustainable debt. Consequently, the consideration amount of ₹ 11,99,87,344 is accounted as unsecured loan from promoters and as per Ind AS 32, said amount due to promoters is treated as compound financial instrument and bifurcated into other equity of ₹ 10.76 crore and ₹ 1.24 crore by discounting the amount @12% p.a. for a tenure of 20 years.

17.5 The principal of ₹ 126.75 crore on term loan are due on March 31, 2019. Paid during the month of April 2019 and May 2019.

Details of delays and defaults in payment of financial obligations

a) Amount falling due during FY 2018-19 and paid up to 31.03.2019

Name of Institutions	Principal				Interest			
	No. of Days - Range		Amount (₹ in Crore) - Range		No. of Days - Range		Amount (₹ in Crore) - Range	
	Min	Max	Min	Max	Min	Max	Min	Max
Allahabad Bank	4	37	0.27	8.69	1	50	0.05	1.93
Bank of Baroda	11	16	0.07	1.73	1	50	0.01	0.57

Name of Institutions	Principal				Interest			
	No. of Days - Range		Amount (₹ in Crore) - Range		No. of Days - Range		Amount (₹ in Crore) - Range	
Bank of India	11	23	0.04	1.73	1	50	0.01	0.38
Bank of Maharashtra	4	30	0.20	4.35	1	50	-	0.97
Canara Bank	5	40	0.13	4.35	1	50	0.01	0.99
Central Bank of India	4	74	0.21	6.60	1	50	0.04	1.26
Corporation Bank	19	58	0.09	4.17	1	50	0.02	0.54
IDBI Bank Ltd	9	39	-	4.45	1	57	-	1.85
Indian Overseas Bank	13	25	0.06	2.62	1	50	0.01	0.64
Oriental Bank of Commerce	8	26	0.20	3.81	1	50	0.01	0.88
Punjab National Bank	5	58	0.44	12.28	1	50	0.08	2.96
State Bank of India	1	53	0.06	12.02	1	50	0.01	6.48
UCO Bank	19	31	0.58	3.90	1	51	0.04	0.91
Sugar Development Fund	27	58	0.19	0.35	-	-	-	-

b) Amount falling due within 31.03.2019 but paid subsequently (April and May 2019)

	Principal			Interest		
Name of Institutions	**Outstanding**	**Paid Subsequently**	**Balance**	**Outstanding**	**Paid Subsequently**	**Balance**
Allahabad Bank	14.31	14.31	-	2.65	2.65	-
Bank of Baroda	3.46	3.46	-	0.65	0.65	-
Bank of India	2.04	2.04	-	0.42	0.42	-
Bank of Maharashtra	10.19	10.19	-	1.77	1.77	-
Canara Bank	6.93	6.93	-	1.21	1.21	-
Central Bank of India	9.82	9.82	-	1.92	1.92	-
Corporation Bank	4.04	4.04	-	0.83	0.83	-
IDBI Bank Ltd	8.96	8.96	-	1.69	1.69	-
Indian Overseas Bank	3.10	3.10	-	0.85	0.85	-
Oriental Bank of Commerce	10.94	10.94	-	1.68	1.68	-
Punjab National Bank	17.76	17.76	-	3.43	3.43	-
State Bank of India	30.72	30.72	-	5.57	5.57	-
UCO Bank	4.48	4.48	-	0.85	0.85	-
Total	126.75	126.75	-	23.52	23.52	-

		As at March 31, 2019 ₹ Crore	As at March 31, 2018 ₹ Crore
18	**Non-current provisions**		
	Gratuity	**31.21**	23.84
	Leave encashment	**22.55**	19.51
		53.76	43.35

	As at April 1, 2018 ₹ Crore	During the year ₹ Crore	**As at March 31, 2019 ₹ Crore**
19 Deferred tax liabilities/ (assets) (net)			
Deferred tax liabilities:			
Property, plant and equipment	808.35	(23.50)	**784.85**
Fair valuation of property, plant and equipment	795.43	(2.31)	**793.12**
	1,603.78	(25.81)	**1,577.97**
Deferred tax assets:			
Provision for employee benefits	16.63	3.75	**20.38**
Provision for doubtful debts / advances	7.15	4.36	**11.51**
Fair valuation of investments	152.89	10.77	**163.66**
Carry forward losses and unabsorbed depreciation *	789.47	(36.51)	**752.96**
	966.14	(17.63)	**948.51**
Deferred tax liabilities / (assets) (net)	637.64	(8.18)	**629.46**

*Deferred tax assets on carry forward losses and unabsorbed depreciation is ₹ 1,067.14 crore. However, it is recognised to the extent of deferred tax liabilities other than arising on fair valuation of PPE on conservative basis.

	As at March 31, 2019 ₹ Crore	As at March 31, 2018 ₹ Crore
20 Other non-current liabilities		
Deposits from agents / customers / vendors	**21.74**	13.70
Security deposits from others	**-**	0.39
Security deposits from related parties (refer Note 39)	**-**	0.75
	21.74	14.84
21 Current borrowings		
(At amortised cost)		
Loan from banks		
Secured		
Working capital loan	**-**	156.26
	-	156.26
Loan from others		
Others	**4.41**	5.01
	4.41	5.01
	4.41	161.27

Working Capital Loan from Banks are secured on first pari passu charge basis, by way of mortgage over all immovable fixed assets and hypothecation over all movable fixed assets (both present and future) of the Company, on first pari-passu charge by way of hypothecation over all current assets (both present & future) of the Company. The said loan is further secured by personal guarantee of Managing Director (Promoter) and corporate guarantee by a promoter group company, pledge of entire shares held by the Promoters of the company.

22 Trade payables		
Micro and small enterprises	**0.67**	0.40
From related parties	**0.03**	-
Others	**4,165.00**	3,374.30
	4,165.70	3,374.70

	As at March 31, 2019 ₹ Crore	As at March 31, 2018 ₹ Crore
The details of amount outstanding to micro and small enterprises based on available information with the Company are as under :		
Particulars		
The amounts remaining unpaid to micro and small suppliers as at the end of the year:		
- Principal	**0.67**	0.40
- Interest	**-**	-
The amount of interest paid by the buyer as per the Micro Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006)	**-**	0.04
The amount of the payments made to micro and small suppliers beyond the appointed day during each accounting year	**3.30**	2.97
The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	**-**	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	**-**	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006	**-**	-

23 Other financial liabilities

Current maturities of non-current borrowings (refer Note 17.2)	**639.98**	742.09
Security deposit from others	**1.43**	
Interest accrued but not due on borrowings	**0.21**	0.39
Interest accrued and due on borrowings	**23.52**	30.47
Unclaimed dividends #	**0.20**	0.37
	665.34	773.32

These figures do not include any amount due and outstanding to be credited to Investor Education and Protection Fund

Interest of ₹ 23.52 crore (P.Y. ₹ 30.47 crore) on term loan for the month of March 2019 is due for payment as on the balance sheet date, which has been paid in April and May 2019

24 Other current liabilities

Other payables*	**79.80**	199.94
	79.80	199.94

***** Includes statutory dues, advances from customer and other liabilities

25 Current provisions

Gratuity	**7.09**	5.83
Leave encashment	**4.49**	4.11
	11.58	9.94

26 Revenue from operations

Sale of products / services	**6,693.11**	5,862.93
Other operating revenues	**113.28**	79.78
	6,806.39	5,942.71

		As at March 31, 2019 ₹ Crore	As at March 31, 2018 ₹ Crore
26.1	**Particulars of sale of products / services**		
	Sugar	**5,986.53**	5,190.71
	Alcohol	**500.83**	462.40
	Power	**174.42**	159.58
	By-products	**21.57**	38.74
	Aircraft services	**9.76**	11.50
		6,693.11	5,862.93
26.2	**Particulars of other operating revenues**		
	Duty drawback and other export incentives	**0.02**	1.39
	Sale of scrap	**6.91**	5.09
	Others	**106.35**	73.30
		113.28	79.78
27	**Other income**		
	Gain due to foreign exchange fluctuation (net)	**-**	0.91
	Interest income	**80.41**	82.22
	Other non-operating income	**15.48**	17.85
		95.89	100.98
28	**Cost of materials consumed**		
	Opening stock	**5.36**	2.10
	Purchases	**5,659.63**	4,903.79
		5,664.99	4,905.89
	Less: Closing stock	**6.36**	5.36
	Cost of raw material consumed	**5,658.63**	4,900.53
29	**Changes in inventories of finished goods, by-products and work-in-progress**		
	Opening stock		
	Finished goods	**2,655.03**	2,718.21
	By-products	**70.72**	195.85
	Work-in-progress	**55.00**	34.40
		2,780.75	2,948.46
	Less: Closing stock		
	Finished goods*	**2,516.90**	2,655.03
	By-products	**101.25**	70.72
	Work-in-progress	**56.18**	55.00
		2,674.33	2,780.75
	Increase/(decrease) of excise duty on inventories	**-**	(170.31)
		106.42	(2.60)
	* Includes ₹ 97.07 crore (P.Y. ₹ 165.22 crore) towards the write down of inventories		
30	**Excise duty paid on goods sold**		
	Excise duty	**-**	95.99
		-	95.99

	As at March 31, 2019 ₹ Crore	As at March 31, 2018 ₹ Crore
31 Employee benefits expense		
Salaries & wages	**249.31**	225.44
Contributions to provident and other funds	**23.67**	22.57
Employees' welfare expenses	**2.31**	1.63
	275.29	249.64

31.1 Liability for employee benefits has been determined by an actuary, appointed for the purpose, in conformity with the principles set out in the Ind AS 19 the details of which are as hereunder:

a. Funded scheme - gratuity		
Liability to be recognised in balance sheet		
Present value of funded obligations	**51.02**	42.98
Fair value of plan assets	**(12.72)**	(13.31)
Net liability / (asset)	**38.30**	29.67
Change in plan assets (reconciliation of opening and closing balances)		
Fair value of plan assets at the beginning	**13.31**	11.83
Expected return on plan assets	**1.02**	0.92
Actuarial gain / (losses)	**(0.05)**	0.10
Contributions	**1.38**	3.11
Benefits paid	**(2.94)**	(2.65)
Fair value of plan assets at the end	**12.72**	13.31
Change in obligation (reconciliation of opening and closing balances)		
Obligation at the beginning	**42.98**	39.54
Current service cost	**4.45**	3.94
Interest cost	**3.19**	2.96
Actuarial losses / (gain)	**3.34**	(0.82)
Benefits paid	**(2.94)**	(2.64)
Closing obligation	**51.02**	42.98
Expenditure to be recognised during the year		
Current service cost	**4.45**	3.94
Interest cost	**3.19**	2.96
Expected return on plan assets	**(1.02)**	(0.92)
Total expenses recognised in the statement of profit and loss	**6.62**	5.98
In Other comprehensive income		
Actuarial (Gain) / Loss - Plan Liabilities	**3.34**	(0.82)
Actuarial (Gain) / Loss - Return on Plan Assets	**0.05**	(0.10)
Net (Income) / Expense for the period recognised in OCI	**3.39**	(0.92)
Investment Details		
Insurance Policies - Amount	**12.72**	13.31
- %	**100%**	100%
Assumptions		
Discount rate (per annum)	**7.70%**	7.75%
Expected rate of return on assets (per annum)	**7.70%**	7.75%
Salary escalation rate (per annum)	**6.00%**	6.00%

	As at March 31, 2019 ₹ Crore	As at March 31, 2018 ₹ Crore
Sensitivity		
Under base scenario	**51.02**	42.98
Salary escalation (up by 1%)	**54.81**	46.20
Salary escalation (down by 1%)	**47.62**	40.10
Withdrawal rates (up by 1%)	**51.37**	43.31
Withdrawal rates (down by 1%)	**50.64**	42.62
Discount rates (up by 1%)	**47.78**	40.21
Discount rates (down by 1%)	**54.68**	46.12

This is a defined benefit plan and statutory liability of the Company. The Company has to pay the Gratuity to the employees as per the provisions of The Payment of Gratuity Act, 1972 irrespective of the availability of the funds with the Gratuity Fund.

The Gratuity Liability is computed on actuarial valuation basis done at year end and the Company's liability so determined as at the end of the financial year on an actuarial basis using the Project Unit Credit Method is provided for in the books of account and is based on a detailed working done by a certified Actuary. Past service cost is recognised immediately to the extent that the benefits are already vested.

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

Company manages Gratuity obligation through Trust. Company arranges the fund based on the actuarial valuation and requirement of the Trust.

The expected contributions for Defined Benefit Plan for the next financial year will be in line with FY 2018-19.

These gratuity plan typically expose the Company to actuarial risks such as: investment risk, interest risk, longevity risk and salary risk.

Investment risk

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference-to-market yields at the end of the reporting period on government bonds. For other defined benefit plans, the discount rate is determined by reference-to-market yield at the end of reporting period on high quality corporate bonds when there is a deep market for such bonds; if the return on plan asset is below this rate, it will create a plan deficit.

Interest risk

A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan debt investments.

Longevity risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk

The present value of the defined plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Particulars	Year ended March 31, 2019 ₹ Crore	Year ended March 31, 2018 ₹ Crore
b. Unfunded scheme - earned leaves		
Present value of unfunded obligations	**27.04**	23.62
Expenses recognised in the statement of profit and loss	**3.05**	6.84
In Other comprehensive income		
Actuarial (Gain) / Loss - Plan Liabilities	**0.37**	(1.90)
Actuarial (Gain) / Loss - Return on Plan Assets	**-**	-
Net (Income) / Expense for the period recognised in OCI	**0.37**	(1.90)
Discount rate (per annum)	**7.70%**	7.75%
Salary escalation rate (per annum)	**6.00%**	6.00%

Particulars	Year ended March 31, 2019 ₹ Crore	Year ended March 31, 2018 ₹ Crore

c. Provident fund

The Company has an obligation to fund any shortfall on the yield of the trust's investments over the administered interest rates on an annual basis. These administered rates are notified by the Government annually. The actuary has provided a valuation based on the below provided assumptions and there is no shortfall as at March 31, 2019.

Plan assets at period end, at fair value	**-**	-
Present value of benefit obligation at year end	**-**	-
Cost of shortfall in interest rate guarantee	**-**	-
Discount rate	**7.50%**	7.75%
Average remaining tenure of the investment portfolio (years)	**6.23**	8.42
Expected guaranteed interest rate	**8.65%**	8.55%

During the year ended March 31, 2019, amount recognised in statement of profit and loss for employee provident fund is ₹ 7.65 crore (P.Y. ₹ 5.92 crore).

d. Share-based payment

Erstwhile Bajaj Hindusthan Sugar & Industries Limited, which was merged with the Company w.e.f. 01.04.2010, had formed Employees Stock Option Plan (ESOP) in 2007. All option granted have either been expired or exercised.

32 Finance costs

Interest expense on:		
Borrowings*	**309.69**	672.97
Others	**5.09**	0.99
Debentures	**0.35**	0.10
Other borrowing costs	**6.65**	6.11
	321.78	680.17

*Refer Note 40(e)

33 Depreciation and amortisation expense

Depreciation on tangible assets	**211.86**	197.45
Amortisation on intangible assets*	**(7.63)**	0.00
	204.23	197.45

*Excess goodwill amortised earlier now written back

34 Other expenses

Stores, spares and packing materials consumed	**157.28**	108.59
Power and fuel	**16.87**	14.72
Rent	**6.76**	5.59
Rates and taxes	**0.31**	0.92
Repairs :		
Building	**1.39**	1.10
Machinery	**128.72**	91.26
Others	**4.71**	4.19
	134.82	96.55
Payment to auditors (Refer Note 34.1)	**0.78**	0.69
Insurance	**6.33**	4.55
Selling commission	**15.48**	12.65
Selling & distribution	**60.88**	68.43
Director fees	**0.20**	0.26
Loss due to foreign currency fluctuation (net)	**0.25**	-
Bad debts written off	**-**	0.44
Provision for doubtful debts	**6.17**	14.61
Provision for doubtful advances	**1.18**	-

Particulars	Year ended March 31, 2019 ₹ Crore	Year ended March 31, 2018 ₹ Crore
Fair valuation of land	**1.78**	-
Loss on assets sold / scrapped / written off	**0.35**	0.04
Miscellaneous expenses	**60.43**	99.00
	469.87	427.04
34.1 Payment to auditors		
For statutory audit fees	**0.52**	0.47
For tax audit fees	**0.05**	0.05
For certification work	**0.20**	0.17
Reimbursement of expenses (P.Y. ₹ 18,139/-)	**0.01**	0.00
	0.78	0.69
35 Other Comprehensive income		
Actuarial gain / (loss) on employee benefit plans	**(3.77)**	2.82
Gain / (loss) on Investment through FVOCI	**(34.52)**	(52.38)
Foreign exchange fluctuation	**0.43**	(1.49)
Less: Tax on Gain / (loss) on Investment through FVOCI	**10.77**	16.34
	(27.09)	(34.71)
36 Contingent liabilities and commitments		
(I) Contingent liabilities		
(a) In respect of disputed demands/claims against the Company not acknowledged as debts:		
(i) Central excise matters	**12.70**	24.51
(ii) Trade tax matters	**64.98**	84.04
(iii) Income tax matters	**33.20**	-
(iv) Recompense payable (refer Note 40(b))	**189.21**	144.79
(v) Other claims	**69.52**	56.06
	369.61	309.40
(b) Guarantees	**661.25**	760.25
(c) Erstwhile Bajaj Eco-Tec Products Limited (merged with the Company) has procured imported as well as indigenous capital goods under Export Promotion and Capital Goods Scheme (EPCG). The export obligation pending against such EPCG licenses.	**5.26**	3.86
(d) Interest payable on promoters contribution (refer Note 40(c) and (d)) is not determinable	**-**	-

Particulars	Year ended March 31, 2019 ₹ crore	Year ended March 31, 2018 ₹ crore
(e) Pursuant to the scheme for sustainable structuring of stressed assets (S4A Scheme) for restructuring of certain outstanding debts of the Company [Refer Note 40 (d) for details], the Company has allotted optionally convertible debentures (OCDs) aggregating to ₹ 3,483.25 crore to JLF lenders. The OCDs carry a yield to maturity (YTM) at the agreed Yield Rate accruing on an annual basis, starting from the Allotment Date. The said YTM is payable as premium on redemption along with the relevant Principal Amount on each Redemption Date [Refer Note 17.1]. The OCDs provide the lenders an option to exercise the right to convert the outstanding OCDs into the equity shares of the Company at a price in accordance with Applicable Law (including the ICDR Regulations). Since premium to be paid is contingent on the occurrence of the event of redemption of OCDs, the YTM of ₹ 514.50 crore from the date of allotment of OCD till the year end is treated as contingent liability and would be accounted for as finance cost at the time of redemption of respective OCDs.		
(II) Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	**-**	14.63
37 Earnings per share		
(i) Net profit / (loss) after tax as per statement of profit and loss attributable to equity shareholders	**(136.56)**	(499.64)
(ii) Weighted average number of equity shares used as denominator for calculating basic EPS (crore)	**110.07**	110.07
(iii) Weighted average number of equity shares used as denominator for calculating diluted EPS (crore)*	**110.07**	110.07
* Equity shares to be issued on conversion of optionally convertible debentures and on loan from promoters (refer Note 17.1 and 17.4) are not determinable as on balance sheet date.		
(iv) Basic earnings per share	**(1.24)**	(4.54)
(v) Diluted earnings per share	**(1.24)**	(4.54)
(vi) Face value per equity share	**₹ 1/-**	₹ 1/-

38 Operating Segments/Segment information

The Company has identified its Business Segments as its Primary Reportable Segments comprising Sugar, Distillery and Power.

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

No operating segments have been aggregated to form the above reportable operating segments. Transfer prices between operating segments are on an arm's-length basis in a manner similar to transactions with third parties.

Segment Information

1 **Segment revenue**		
a. Sugar	**7,035.00**	6,233.24
b. Distillery	**524.95**	489.02
c. Power	**1,265.65**	1,120.23
d. Others	**10.30**	11.98
Total	**8,835.90**	7,854.47
Less : Inter-segment revenue	**2,029.51**	1,911.76
Net Sales / Income from operations	**6,806.39**	5,942.71

	Particulars	Year ended March 31, 2019 ₹ Crore	Year ended March 31, 2018 ₹ Crore
2	**Segment results**		
	(Profit/ (Loss) before tax and interest)		
	a. Sugar	**(338.22)**	(138.53)
	b. Distillery	**263.53**	142.02
	c. Power	**225.98**	173.15
	d. Others	**(11.69)**	(16.17)
	Total	**139.60**	160.47
	Less: (i) Interest gross	**(321.78)**	(680.17)
	(ii) Interest income	**80.41**	82.21
	(iii) Other un-allocable income net off un-allocable expenditure	**(32.17)**	(67.04)
	Total Profit / (loss) before tax	**(133.94)**	(504.53)
3	**Capital employed**		
	i) **Segment assets**		
	a. Sugar	**8,675.00**	8,771.15
	b. Distillery	**876.53**	899.11
	c. Power	**1,784.62**	1,822.40
	d. Others	**237.09**	243.65
	Total	**11,573.24**	11,736.31
	Add: Unallocated corporate assets	**2,217.73**	2,317.97
	Total assets	**13,790.97**	14,054.28
	ii) **Segment liabilities**		
	a. Sugar	**4,162.62**	3,546.50
	b. Distillery	**29.15**	55.24
	c. Power	**1,583.49**	1,476.96
	d. Others	**113.31**	107.60
	Total	**5,888.57**	5,186.30
	Add: Unallocated corporate liabilities	**5,125.30**	5,926.02
	Total liabilities	**11,013.87**	11,112.32
4	**Capital expenditure**		
	a. Sugar	**0.55**	5.94
	b. Distillery	**15.25**	28.59
	c. Power	**2.83**	0.19
	d. Others*	**0.17**	(0.20)
	e. Unallocated	**0.13**	0.10
	Total	**18.93**	34.62
	* Includes increase / (decrease) due to forex fluctuation		
5	**Depreciation and amortisation**		
	a. Sugar	**126.70**	126.52
	b. Distillery	**15.03**	15.14
	c. Power	**59.78**	45.00
	d. Others	**4.26**	4.47
	e. Unallocated	**(1.54)**	6.32
	Total	**204.23**	197.45

	Particulars	Year ended March 31, 2019 ₹ Crore	Year ended March 31, 2018 ₹ Crore
6	**Non-cash expenditure other than depreciation**		
	a. Sugar	**Nil**	Nil
	b. Distillery	**Nil**	Nil
	c. Power	**Nil**	Nil
	Total	**Nil**	Nil

Other disclosures

1. The Company caters mostly to Indian markets. No single customer contributes more than 10% of the revenue.
2. Operating segments have been identified on the basis of the nature of products and have been identified as per the quantitative criteria specified in the Ind AS.

   The expenses and incomes which are not directly attributable to any business segment are shown as unallocable expenditure (net of unallocated income).

   Segment assets include all operating assets used by the operating segment and mainly consist of property, plant and equipment, trade receivables, cash and cash equivalents and inventories. Segment liabilities primarily include trade payables and other liabilities. Common assets and liabilities which cannot be allocated to any of the segments are shown as a part of unallocable assets / liabilities.

39 The disclosures in respect of Related Parties as required under Ind AS 24 'Related Party Disclosures' is stated herein below:

a) Name of related parties

A. Directors and their relatives

1. Mr. Kushagra Bajaj, Chairman & Managing Director (Also key management personnel)
2. Mr. Ashok Kumar Gupta, Director (Group Operations) (Also key management personnel)

B. Enterprises over which any person described in (A) above is able to exercise significant influence

1. Abhitech Developers Pvt. Ltd.
2. Bajaj Capital Ventures Private Ltd.
3. Bajaj Infrastructure Development Company Ltd.
4. Bajaj Energy Ltd.
5. Bajaj Resources Ltd.
6. Bajaj Power Ventures Private Ltd.
7. Bajaj International Realty Private Ltd.
8. Shishir Bajaj Family Trust
9. SKB Roop Commercial LLP
10. Lalitpur Power Generation Company Ltd.

b) Details of related party transactions:

₹ Crore

	Transactions	Directors / Key Management Personnel	Associate	Enterprises described in (B) above	Total
I.	**Transactions during the year**				
	Sale of services	-	-	**1.67**	**1.67**
		(-)	(-)	(5.12)	(5.12)
	Rent - Income	-	-	**3.45**	**3.45**
		(-)	(-)	(3.40)	(3.40)
	Remuneration	**2.96**	-	-	**2.96**
		(2.83)	(-)	(-)	(2.83)
	Rent - Expense	-	-	**4.24**	**4.24**
		(-)	(-)	(4.02)	(4.02)
	Business Process Services - Expense	-	-	**1.85**	**1.85**
		(-)	(-)	(2.13)	(2.13)

₹ Crore

	Transactions	Directors/Key Management Personnel	Associate	Enterprises described in (B) above	Total
	Loan taken	-	-	-	-
		(-)	(-)	(12.00)	(12.00)
	Deposit given repaid	-	-	**0.75**	**0.75**
		(-)	(-)	(5.82)	(5.82)
	Deposit given	-	-	**0.02**	**0.02**
		(-)	(-)	(-)	(-)
	Advance lease rent received	-	-	-	-
		(-)	(-)	(0.21)	(0.21)
	Advance rent paid	-	-	-	-
		(-)	(-)	(4.25)	(4.25)
	Guarantee / securities given - repaid	-	-	**99.00**	**99.00**
		(-)	(-)	(-)	(-)
II.	**Amounts outstanding at the Balance Sheet date**				
	Loan taken	**110.50**	-	**101.50**	**212.00**
		(110.50)	(-)	(101.50)	(212.00)
	Advance to vendor	-	-	**0.67**	**0.67**
		(-)	(-)	(0.67)	(0.67)
	Trade payables	-	-	**0.60**	**0.60**
		(-)	(-)	(3.89)	(3.89)
	Investments	-	-	**770.13**	**770.13**
		(-)	(-)	(770.13)	(770.13)
	Trade receivable	-	-	**9.33**	**9.33**
		(-)	(-)	(7.36)	(7.36)
	Debenture	-	-	**266.85**	**266.85**
		(-)	(-)	(266.85)	(266.85)
	Advance for land purchase	-	-	**248.00**	**248.00**
		(-)	(-)	(248.00)	(248.00)
	Deposits given	-	-	**5.06**	**5.06**
		(-)	(-)	(5.03)	(5.03)
	Deposits taken	-	-	-	-
		(-)	(-)	(0.75)	(0.75)
	Advance rent paid	-	-	**1.85**	**1.85**
		(-)	(-)	(3.70)	(3.70)
	Advance lease rent received (₹ 24,952/-)	-	-	**0.00**	**0.00**
		(-)	(-)	(0.19)	(0.19)
	Guarantee / securities given	-	-	**661.25**	**661.25**
		(-)	(-)	(760.25)	(760.25)

Notes:

1 Related party relationship is as identified by the Company based on the available information and relied upon by the auditors.

2 No amount has been written off or written back during the year in respect of debts due from or to related parties.

3 Sales of services provide of ₹ 1.08 crore (P. Y. ₹ 1.42 crore) to Bajaj Infrastructure Development Company Ltd., ₹ 0.55 crore (P.Y. ₹ 0.56 crore) to Bajaj Energy Ltd. and ₹ 0.04 crore (P.Y. Nil) to Bajaj Resources Ltd.

4 Rent received of ₹ 3.27 crore (P.Y. ₹ 3.19 crore) from Bajaj Energy Private Ltd and ₹ 0.18 crore (P.Y. ₹ 0.21 crore) from Lalitpur Power Generation Company Ltd..

5 Remuneration includes ₹1.85 crore (P.Y. ₹ 1.84 crore) to Mr. Kushagra Bajaj, and ₹ 1.11 crore (P.Y. ₹ 0.99 crore) to Mr. A.K. Gupta.

6 Rent paid includes ₹ 0.93 crore (P.Y. ₹ 0.93 crore) to Bajaj Capital Ventures Pvt. Ltd, ₹ 2.23 crore (P.Y. ₹2.22 crore) to Shishir Bajaj Family Trust, ₹ 0.97 crore (P.Y. ₹ 0.87 crore) to Bajaj Resources Ltd. and ₹ 0.11 crore to Abhitech Developers Pvt Ltd.

7 Business process services ₹ 1.85 crore (P.Y. ₹ 2.13 crore) to Abhitech Developers Pvt. Ltd.

8 Deposit given - repaid ₹ 0.75 crore (P.Y. Nil) to Lalitpur Power Generation Company Ltd.

9 Deposit given ₹ 0.02 crore to Abhitech Developers Pvt Ltd.

10 Restructured term loan from banks aggregating to ₹ 6,022.04 crore are secured by personal guarantee of Mr. Kushagra Bajaj (Managing Director) and corporate guarantee by M/s Bajaj International Realty Private Ltd. (a promoter group company) and pledge of entire shares held by the promoters of the Company.

11 The transactions with related parties are made on terms equivalent to those that prevail in arm's-length transactions. Outstanding balances year-end are unsecured except as stated above and settlement occurs in cash.

40 a) At the request of the Company, the Joint Lenders' forum (JLF Lenders) led by State Bank of India has approved the corrective action plan for restructuring of credit facilities on December 03, 2014 under JLF route in accordance with the applicable framework and guidelines issued by Reserve Bank of India. Accordingly, a Master Restructuring Agreement (MRA) has been signed on December 30, 2014 among the Company and JLF lenders, by virtue of which the restructured facilities are governed by the provisions specified in the said MRA. The cut-off date for restructuring under JLF route is July 31, 2014.

b) The MRA as well as guidelines of Reserve Bank of India issued on debt restructuring under JLF route give a right to the JLF lenders to get recompense of their waivers and sacrifices made as per corrective action plan. The recompense payable by the Company is contingent on various factors including improved performance of the Company and many other conditions, the outcome of which currently is materially uncertain and hence the proportionate amount payable as recompense is treated as a contingent liability. The aggregate present value of recompense till March 31, 2019 payable to the JLF lenders as per MRA is approximately ₹ 189.21 crore for the Company.

c) As per the terms of above restructuring approved by lenders, the Promoters were required to bring promoter contribution amounting to ₹ 200 crore in a phased manner till September 2015 in the form of equity capital/ preference capital/unsecured loan/other similar instruments. An amount of ₹ 200 crore has been brought by promoters as unsecured loan within stipulated period.

d) For restructuring of certain outstanding debts of the Company, the Joint Lenders' forum (JLF) of the Company adopted the scheme for sustainable structuring of stressed assets (S4A Scheme) with reference date as June 23, 2017, which was approved by the overseeing committee (OC) on November 30, 2017. As per the S4A Scheme, the total fund based debt of ₹ 8,284.59 crore (including funded interest of ₹ 354.51 crore), were bifurcated in two parts – 57.81% as Part A (Sustainable Debt) amounting to ₹ 4,789.34 crore to be serviced as per existing terms and conditions of these debts and remainder 42.19% as Part B (Unsustainable Debt) amounting to ₹ 3,495.25 crore. While a sum of ₹ 12.00 crore has been adjusted against the consideration payable to Promoters towards transfer of 11,99,87,344 equity shares, at a price of ₹ 1/- per equity share, to JLF lenders and the balance ₹ 3,483.25 crore has been converted into optionally convertible debentures allotted to the JLF lenders.

Promoter / Promoters' group has transferred 11,99,87,344 (10.59%) equity shares, at ₹ 1/- per equity share, to JLF lenders, resulting in reduction of Promoter holding from 26.02% to 15.43% in accordance with the S4A Scheme.

e) "Finance Cost" includes a sum of ₹ 354.51 crore during FY 2017-18, which instead of being paid in cash have been converted into OCDs as a part of "Unsustainable Debt" in accordance with the S4A Scheme, resulting into substantial savings of cash outflow during the year. The OCDs are redeemable by paying the Principal Amount together with YTM accrued till the date of respective redemption date in 13 equal annual instalments, commencing at the end of FY 2024-25.

41 Financial Risk Management

The Company's activities expose it to credit risk, liquidity risk and market risk. This note explains the sources of risks which the entity is exposed to and how it mitigates that risk.

A Credit risk

Credit risk arises from the possibility that counterparty may not be able to settle their obligations as agreed. Company is exposed to credit risk from trade receivables, loan given and deposits with banks. To manage this, Company periodically assesses the financial reliability of customers, taking into account factors such as credit track record in the market and past dealings with the Company for extension of credit to customers. Company monitors the payment track record of the customers. Outstanding customer receivables are regularly monitored. Concentrations of credit risk are limited as a result of the Company's large and diverse customer base. Company has also taken advances and security deposits from its customer/agents, which mitigate the credit risk to an extent. The ageing of trade receivable is given below:

	Up to 6 months ₹ Crore	More than 6 months ₹ Crore	Total
As at March 31, 2019	**169.78**	**11.56**	**181.34**
As at March 31, 2018	161.99	7.34	169.33

Following table summarises the change in loss allowances measured using lifetime expected credit loss model. No significant changes in the estimation techniques or assumption were made during the period.

Particulars	₹ Crore
As at April 01, 2017	9.69
Provided during the year	14.61
Amounts written off	(3.68)
As at March 31, 2018	20.62
Provided during the year	6.17
As at March 31, 2019	**26.79**

Company considers factors such as track record, size of the institution, market reputation and service standards to select the comparative banks with which loan / term deposits are maintained. Generally, term deposits are maintained with banks with which Company has also availed borrowings.

B Liquidity risk

Liquidity risk is the risk that a Company may encounter difficulties in meeting its obligations associated with financial liabilities that are settled by delivering cash or other financial assets. The Group monitors rolling forecasts of its liquidity requirements to ensure it has sufficient cash to meet operational needs. The table below provides undiscounted cash flows towards financial liabilities into relevant maturity based on the remaining period at the balance sheet to the contractual maturity date.

	As at March 31, 2019 (₹ Crore)				
Particulars	**Carrying amount**	**On demand**	**0-12 months**	**More than 12 months**	**Total**
Borrowings	6,026.48	-	639.98	5,386.50	6,026.48
Trade payables	4,165.70	4,165.70	-	-	4,165.70
Other financial liabilities	25.36	-	25.36	-	25.36
Total	**10,217.54**	**4,165.70**	**665.34**	**5,386.50**	**10,217.54**

	As at March 31, 2018 (₹ Crore)				
Particulars	**Carrying amount**	**On demand**	**0-12 months**	**More than 12 months**	**Total**
Borrowings	6,795.78	156.26	742.09	5,897.43	6,795.78
Trade payables	3,374.70	3,374.70	-	-	3,374.70
Other financial liabilities	31.23	-	31.23	-	31.23
Total	**10,201.71**	**3,530.96**	**773.32**	**5,897.43**	**10,201.71**

C Market risk

The Company is exposed to the risk of movements in interest rates, inventory price and foreign currency exchange rates that affects its assets, liabilities and future transactions.

i) Interest rate risk

Fluctuation in fair value or future cash flows of a financial instrument because of changes in market interest rates gives rise to interest rate risk. Almost 100% of the Company's borrowings are linked to SBI base rate of the banks. With all other variables held constant, the following table demonstrates the impact of change in interest rate on borrowing cost on floating rate portion of loans.

₹ Crore

Interest rate sensitivity	Increase / Decrease in basis point		Effect on Profit before tax	
For year ended March 31, 2019		**100**	**+/(-)**	**60.26**
For year ended March 31, 2018		100	+/(-)	67.96

ii) Inventory price risk

The Company is exposed to the movement in price of principal finished product i.e. sugar. Prices of the sugar cane is fixed by government. Generally, sugar production is carried out during sugar cane harvesting period from November to April. Sugar is sold throughout the year which exposes the sugar inventory to the movement in the price. Company monitors the sugar prices on daily basis and formulates the sales strategy to achieve maximum realisation. The sensitivity analysis of the change in sugar price on the inventory as at year end, other factors remaining constant in given in table below:

₹ Crore

Rate sensitivity	Increase / Decrease in sale price		Effect on Profit before tax	
For year ended March 31, 2019		**₹ 1**	**+/(-)**	**-**
For year ended March 31, 2018		₹ 1	+/(-)	0.81

iii) Foreign exchange risk

Foreign currency risk arises commercial transactions that recognised assets and liabilities denominated in a currency that is not company's functional currency (INR). The Company is not exposed to significant foreign exchange risk at the respective reporting dates.

Bajaj Aviation Pvt Ltd, one of the subsidiary of the Company, procure spares parts, training and maintenance services for Aircraft and Helicopter in foreign currency consequently it exposures to exchange rate fluctuations.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

Currency	**Year ended March 31, 2019**	Year ended March 31, 2018
USD	**2,06,271.24**	1,52,882.70

Foreign currency sensitivity analysis

The following tables demonstrate the sensitivity of profit before tax to a reasonably possible change in USD exchange rates, with all other variables held constant.

₹

Change in currency rate	Currency	Impact on statement of profit and loss	**Year ended March 31, 2019**	Year ended March 31, 2018
Increase by 5%	USD	(-)	**7,13,402**	4,97,206
Decrease by 5%	USD	+	**7,13,402**	4,97,206

42 Fair value of financial assets and financial liabilities

Financial instruments measured at fair value can be divided into three levels for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices);

Level 3 – Inputs for the asset or liability that are not based on observable market data.

Following methods and assumptions are used to estimate the fair values:

a) Fair value of cash and short-term deposits, trade and other short-term receivables, trade payables, other current liabilities and short-term borrowings carried at amortised cost is not materially different from its carrying cost largely due to short-term maturities of these financial assets and liabilities.

b) Financial instruments with fixed and variable interest rate fall within level 2 of the fair value hierarchy and are evaluated by Company based on parameters such as interest rate, credit rating or assessed creditworthiness.

c) Non-listed shares and other securities fall within level 3 of the fair value hierarchy. Valuation is based on the net asset method.

d) Fair value of the borrowing items fall within level 2 of the fair value hierarchy and is calculated on the basis of discounted future cash flows.

Set out below is a comparison by class of the carrying amounts and fair value of the Company's financial instruments that are recognised in the financial statements.

Particulars	As at March 31, 2019 (₹ Crore)			
	Carrying amount	Level 1	Level 2	Level 3
Financial assets at amortised cost				
Trade receivables	181.34	-	-	-
Cash and cash equivalents	53.89	-	-	-
Bank balances	13.48	-	-	-
Loans - current	1,100.04	-	-	-
Other financial assets - non-current	4.01	-	4.01	-
Total	**1,352.76**	**-**	**4.01**	**-**
Financial assets at fair value through Other comprehensive income				
Investments	924.06	-	-	924.06
Total	**924.06**	**-**	**-**	**924.06**
Financial assets at fair value through profit & loss				
Investments	266.85			266.85
Total	**266.85**	**-**	**-**	**266.85**
Financial liabilities at amortised cost				
Borrowings – non-current	5,382.09	-	5,382.09	-
Borrowing – current	4.41	4.41	-	-
Trade payables	4,165.70	-	-	-
Other financial liabilities - current	665.34	-	-	-
Total	**10,217.54**	**4.41**	**5,382.09**	**-**

Particulars	As at March 31, 2018 (₹ Crore)			
	Carrying amount	Level 1	Level 2	Level 3
Financial assets at amortised cost				
Trade receivables	169.33	-	-	-
Cash and cash equivalents	38.28	-	-	-
Bank balances	25.36	-	-	-
Loans - current	1,024.56	-	-	-
Other financial assets – non-current	2.35	-	2.35	-
Total	**1,259.88**	**-**	**2.35**	**-**
Financial assets at fair value through Other comprehensive income				
Investments	958.58	-	-	958.58
Total	**958.58**	**-**	**-**	**958.58**
Financial assets at fair value through profit & loss				
Investments	266.85			266.85
Total	**266.85**	**-**	**-**	**266.85**
Financial liabilities at amortised cost				
Borrowings – non-current	5,892.42	-	5,892.42	-
Borrowing – current	161.27	161.27	-	-
Trade payables	3,374.70	-	-	-
Other financial liabilities - current	773.32	-	-	-
Total	**10,201.71**	**161.27**	**5,892.42**	**-**

During the year ended March 31, 2019, there were no transfers between level 2 and level 3 fair value hierarchy.
During the year ended March 31, 2018, there were no transfers between level 2 and level 3 fair value hierarchy.
Following table shows the reconciliation from the opening balances to the closing balances of the level 3 values.

	₹ Crore
Balance as on April 1, 2017	240.83
Less: Fair value loss recognised in Other Comprehensive Income	(52.38)
Balance as on April 1, 2018	188.45
Less: Fair value loss recognised in Other Comprehensive Income	(34.52)
Balance as on March 31, 2019	**153.93**

43 The Company has current investments in a group company of ₹ 770.13 crore, loans and advances along with accrued interest of ₹ 1,086.33 crore recoverable from a company. While the said group company is having positive net worth and current assets in excess of its current liabilities, the other company has accumulated losses, negative net worth and current liabilities exceeding its current assets, as at the respective balance sheet dates. Management has evaluated this matter and is of the firm view that sufficient efforts are being undertaken to recover the investments. Further, management believes that the loans and advances given to the said company is considered good and recoverable based on the on-going efforts towards obligation casted on the Company and promoters to recover the outstanding loans in phased manner in terms of the agreements executed to give effect to the debt restructuring schemes from time to time and accordingly no provision has been considered necessary.

44 The Company and its erstwhile subsidiary Bajaj Hindusthan Sugar & Industries Limited (BHSIL) (Since merged) had established an aggregate of 11 new sugar mills and expanded capacity of existing sugar mills during the years 2004 to 2008. As per the Sugar Industry Promotion Policy, 2004 announced by the Government of Uttar Pradesh, the Company was entitled to various benefits in the form of grant of certain exemptions/incentives as also reimbursements of certain expenses and capital subsidy, available to the eligible entrepreneurs based on the investments in setting up or expanding the sugar units in the U.P. state. While for the 8 new sugar mills set up by the Company, it had already received "Eligibility Certificate", the same is awaited for 3 new mills and expansion of 1 mill by BHSIL. Till date the Company has partly availed the benefits including capital subsidy amount. However, due to an abrupt withdrawal of policy in the year 2008, the balance amount of benefits and grant of eligibility certificate in respect of the mills of BHSIL is held up. Consequently, the Current Assets include a sum of ₹ 592.38 crore towards the aforesaid claim under 2004 Policy. The Company had initiated litigation process which was decided in favour of the Company vide an Order passed by the Hon'ble Allahabad High Court, Lucknow Bench in the year 2014 upholding the Company's entitlement to the incentive/remission/exemption etc. as per the 2004 Policy for the remaining period, with certain directions to the Company and the State Government. Subsequently, dismissing the SLP filed by the State of U.P., the said Order was upheld by Hon'ble Supreme Court in the year 2018. Aggrieved by the inaction of the State of U.P. to comply with the orders of the Hon'ble Supreme Court in not processing the Company's claim even after the expiry of six weeks' time granted to complete the process of examination, the Company filed a contempt petition with Hon'ble Supreme Court, which has since been dispensed with and matter is pending for further Order. The recovery of the said claim depends upon the outcome of the said litigation and processing of claims by the State of U.P.

45 Due to the losses incurred by Company during the last few years, there has been reduction in the net worth of the Company. The losses are mainly attributable to high raw material cost i.e. sugarcane price (as fixed by Government) and relatively lower price of finished goods i.e. sugar and molasses, which are determined by market forces based on demand and supply scenario, which are external factors. As at year end, the Company has overdue instalments of certain debts and dues payable to farmers for sugarcane purchases. The Company is continuously striving for improvement in the operational efficiencies in other parameters. The debt restructuring concluded during last year FY 2018, under S4A scheme of RBI has resulted into improved liquidity. Keeping in view the efforts to recover its investments, loans and advances as referred to in Note 43 above and the status of its claim under Sugar Industries Promotion Policy 2004, as referred in Note 44 above, the Company expects to further improve its liquidity position. In view of the above, the management expects to generate positive cash flow from operations and timely settlement of its outstanding liabilities. Accordingly, the financial statements are continued to be presented on going concern basis, which contemplates realisation of assets and settlement of liabilities in the normal course of business.

46 Additional information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary / Associates

Name of Enterprises	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (₹ Crore)	As % of consolidated profit or loss	Amount (₹ Crore)	As % of consolidated other comprehensive income	Amount (₹ Crore)	As % of consolidated total comprehensive income	Amount (₹ Crore)
Parent	59.00%	1,641.40	94.00%	(128.98)	102.00%	(27.52)	96.00%	(156.50)
Subsidiaries								
Indian								
1. Bajaj Aviation Private Ltd.	1.00%	16.88	6.00%	(8.46)	0.00%	-	5.00%	(8.46)
2. Bajaj Power Generation Private Ltd.	40.00%	1,116.60	0.00%	-	0.00%	-		-
Foreign								
1. Bajaj Hindusthan (Singapore) Pte. Ltd.	0.00%	2.56	-2.00%	2.80	0.00%	(0.70)	-1.00%	2.10
2. PT. Batu Bumi Persada, Indonesia	0.00%	3.37	1.00%	(1.59)	0.00%	0.97	0.00%	(0.62)
3. PT. Jangkar Prima, Indonesia	0.00%	(3.71)	0.00%	(0.34)	0.00%	0.16	0.00%	(0.18)
Non-controlling interests in all subsidiaries foreign								
1. PT. Batu Bumi Persada, Indonesia	0.00%	0.00	0.00%	0.00				
2. PT. Jangkar Prima, Indonesia	0.00%	-	0.00%	0.00				

47 The financial statements were approved for issue by the Board of Directors, at its meeting held on May 22, 2019.

48 Information pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014 is disclosed in Annexure "A".

See accompanying notes "1" to "48" to the financial statement.

As per our Report of even date

For Chaturvedi & Shah LLP
Firm Registration No.101720W/W100355
Chartered Accountants

For and on behalf of the Board

Kushagra Bajaj
Chairman & Managing Director
DIN: 00017575

Lalit R. Mhalsekar
Partner
Membership No. 103418

Alok Kumar Vaish
Chief Financial Officer
M. No. F089930

Pradeep Parakh
Group President (GRC) &
Company Secretary
M. No. F6171

D.K. Shukla
Independent Director
DIN: 00025409

Shalu Bhandari
Independent Director
DIN: 00012556

Vipulkumar S. Modi
Independent Director
DIN: 06985276

Mumbai, May 22, 2019

Annexure - A
Form AOC - 1

(Pursuant to first proviso to sub-section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules, 2014) Statement containing salient features of the financial statement of subsidiaries / associate companies / joint ventures

Part "A" : Subsidiaries

₹ Crore

	Sr. No.	1	2	3	4	5
	Name of the subsidiary	**Bajaj Aviation Pvt. Ltd.**	**Bajaj Power Generation Pvt. Ltd.**	**Bajaj Hindusthan (Singapore) Pvt. Ltd., Singapore #**	**PT. Batu Bumi Persada, Indonesia $**	**PT. Jangkar Prima, Indonesia $**
1	Reporting period for the subsidiary concerned, if different from the holding company's reporting period				01-Jan-2018 to 31-Dec-2018	01-Jan-2018 to 31-Dec-2018
2	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	INR	INR	USD	IDR	IDR
3	Share capital	5.00	0.02	137.65	2.43	2.43
4	Other equity	(70.21)	(0.00)	(38.51)	(2.75)	(8.36)
5	Total assets	22.56	1,580.50	113.38	3.03	1.56
6	Total liabilities	22.56	1,580.50	113.38	3.03	1.56
7	Investments @	-	266.85	102.64	-	-
8	Turnover *	10.43	39.26	0.21	-	-
9	Profit before taxation	(15.66)	-	0.06	0.33	1.55
10	Provision for taxation	-	-	6.36	-	-
11	Profit after taxation	(15.66)	-	(6.30)	0.33	1.55
12	Proposed dividend	-	-	-		-
13	% of shareholding	100%	100%	100%	99%	99.88%

Notes :
* 1 Turnover is net of excise duty and includes other income.
@ 2 Investments excludes investment in subsidiaries.
# 3 The financial statements are translated at the exchange rate as on 31.03.2019 i.e. 1 USD = INR 69.1713
$ 4 The financial statements are translated at the exchange rate as on 31.03.2019 i.e. 1 USD = IDR 14228 and 1 USD = INR 69.1713

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

	Name of Associates	**Bajaj Ebiz Private Ltd.**	**Esugarindia Ltd.**
1.	**Latest audited Balance Sheet Date**	March 31, 2018	March 31, 2018
2.	**Shares of Associate held by the Company on the year end**		
	Nos.	11,48,400	9,000
	Amount of Investment in Associates (₹ Crore)	1.15	0.01
	Extent of holding %	49.50%	Bajaj Ebiz Pvt Ltd. holding of 69.67% Shares
3.	**Description of how there is significant influence**	There is a significant influence due to percentage of shareholding	There is a significant influence due to percentage of shareholding
4.	**Reason why the associate is not consolidated**	See Note	See Note
5.	**Net worth attributable to Shareholding as per latest audited Balance Sheet (₹ Crore)**	-	-
6.	**Profit / (Loss) for the year (₹ Crore)**	-	-
	i. Considered in consolidation (₹ Crore)	-	-
	ii. Not Considered in consolidation (₹ Crore)	-	-

Note
The Company has made provision for permanent diminution in the value of its entire investment in Bajaj Ebiz Private Ltd. and Esugarindia Ltd.

NOTE

NOTE

NOTE

bajaj GROUP
THINK TOMORROW

bajaj SUGAR | Bajaj Hindusthan Sugar Ltd.

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