bajaj SUGAR

August 20, 2021

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 Limited** **Exchange Plaza, 5th Floor** **Plot no. C/1, G Block** **Bandra Kurla Complex** **Bandra (East)** **Mumbai 400051** **Stock Code: BAJAJHIND**

Dear Sirs,

Sub: Annual Report for the financial year 2020-2021 and Notice of the 89th 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 from time to time, please find enclosed the following documents for the financial year 2020-2021:

1. The Notice convening 89th Annual General Meeting (AGM) of the Members of the Company scheduled to be held on Wednesday, September 15, 2021 at 11.00 A.M.; and

2. Annual Report for the financial year 2020-2021.

The Notice of 89th AGM and Annual Report for the financial year 2020-2021 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
Company Secretary &
Compliance Officer
(Membership No. ACS 18556)

Encl.: As above

Bajaj Hindusthan Sugar Ltd
Office : Bajaj Bhawan, 2nd Floor, Jamnalal Bajaj Marg, 226 Nariman Point, Mumbai- 400 021
Tel: +91- 22-22023626, 22842110 | Fax: +91-22-22022238
Regd. Office : Golagokarannath, Lakhimpur-Kheri, District Kheri,Uttar Pradesh - 262 802
Tel: + 91-5876-233754/5/7/8, 233403 | Fax: +91-5876-233401
E-mail : investor.complaints@bajajhindusthan.com | Website : www.bajajhindusthan.com | CIN: L15420UP1931PLC065243

bajaj GROUP
THINK TOMORROW

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 Ninth Annual General Meeting** of the Members of Bajaj Hindusthan Sugar Limited will be held on Wednesday, September 15, 2021 at 11.00 A.M. (IST) through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") ("hereinafter referred to as "electronic mode") 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, 2021 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. Amir Singh Yadav (DIN: 08481111), Nominee Director, 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 Sections 149, 150, 152, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereunder and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactments thereof for the time being in force), Mr. Vinod C. Sampat (DIN: 09024617), who was appointed as an Additional Director of the Company with effect from January 21, 2021, and who has submitted a declaration that he meets the criteria of independence, as provided in Section 149(6) of the Act and in accordance with SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and is qualified for being appointed as an Independent Director 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 Independent Director, be and is hereby appointed as an Independent Director of the Company, to hold office upto January 20, 2026."

4. 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 149, 150, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Ms. Shalu Bhandari (DIN: 00012556), Independent Non-executive Director of the Company and who holds office up to September 16, 2021 and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing Ms. Shalu Bhandari, as a candidate for the office of director of the Company, be and is hereby re-appointed as an Independent Director of the Company to hold office for the second term of 5 (five) consecutive years with effect from September 17, 2021 to September 16, 2026."

   "RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts, deeds and things, necessary and expedient to give effect to this resolution."

5. 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 Rs. 4,75,000/- (Rupees Four Lakh Seventy Five 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, 2022, be and is hereby ratified and confirmed."

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

   "RESOLVED THAT pursuant to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors of the Company, and in accordance with the provisions of Sections 149, 150, 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, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (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, Mr. Alok Kumar Vaish (DIN: 07250267), in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of director pursuant to Section 160 of the Companies Act, 2013, be and is hereby appointed as Managing Director of the Company for a period of 5 (five) years with effect

from August 13, 2021 upto August 12, 2026, liable to retire by rotation, on the payment of remuneration and other terms and conditions as set out herein below:

I. Remuneration:

In consideration of the performance of his duties, the Company shall pay to Mr. Alok Kumar Vaish, 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 Rs. 5,83,333 per month in the scale of Rs. 5,50,000 - Rs. 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 months' 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) House Rent Allowance:

House Rent Allowance upto 40% 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 Rs. 4,18,812 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. Alok Kumar Vaish 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 retrial 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) Gratuity:

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

iii) 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. Alok Kumar Vaish, 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. Alok Kumar Vaish as Managing Director is subject to the provision of 167 of the Companies Act, 2013.

c. Separation of services: 02 (Two) months' notice or basic salary in lieu thereof from either side.

"RESOLVED FURTHER THAT in case the Company has in any financial year no profits or if its profits are inadequate anytime during the period of 3 (three) years from August 13, 2021, the Managing Director 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."

By Order of the Board of Directors

Kasuik Adhikari
Company Secretary
(ACS 18556)

Dated: 13/08/2021
Place: Mumbai

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

Registrar and Share Transfer Agent:
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

NOTES:

1. In view of the global COVID-19 pandemic, the Ministry of Corporate Affairs (MCA) has vide General Circular No. 20/2020 dated May 5, 2020 read with General Circular Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 02/2021 dated January 13, 2021 and Circular number SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, issued by the Securities and Exchange Board of India (SEBI) (collectively referred to as Circulars), has allowed companies to conduct the Annual General Meeting (AGM) through Video Conferencing (VC) or Other Audio Visual Means (OAVM) without the physical presence of the Members at a common venue. In compliance with the Circulars, the AGM of the Company is being held through VC/OAVM.

2. As the AGM shall be conducted through VC/OAVM, the facility for appointment of Proxy by the Members is not available and hence, Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.

3. Members attending the AGM through VC/OAVM shall be reckoned for the purpose of quorum for the AGM as per Section 103 of the Companies Act, 2013 (Act).

4. Registration of email ID and Bank Account details:

   In case the shareholder's email ID is already registered with the Company/its Registrar & Share Transfer Agent "RTA"/Depositories, log in details for e-voting are being sent on the registered email address.

   In case the shareholder has not registered his/her/their email address with the Company/its RTA/Depositories and or not updated the Bank Account mandate for receipt of dividend, the following instructions to be followed:

   (i) Kindly log in to the website of our RTA, Link Intime India Private Ltd., www.linkintime.co.in under Investor Services > Email/Bank detail Registration - fill in the details and upload the required documents and submit. OR

   (ii) In the case of Shares held in Demat mode:

   The shareholder may please contact the Depository Participant ("DP") and register the email address and bank account details in the demat account as per the process followed and advised by the DP.

5. An Explanatory Statement pursuant to the provisions of Section 102 of the Act in respect of Special Business to be transacted at the AGM is annexed and forms part of this Notice. The Board of Directors have considered and decided to include Item No. 4 to 6 given above as Special Business in the forthcoming AGM, as they are unavoidable in nature.

6. Register of Members and Share Transfer Register will be closed from Saturday, September 04, 2021 to Wednesday, September 15, 2021, (both days inclusive).

7. Register of Directors and Key Managerial Personnel and their shareholdings and Register of Contracts or Arrangements in which Directors are interested, maintained under Sections 170 and 189 of the Act, respectively will be available electronically for inspection by the Members.

   All documents referred to in the Notice will also be available for electronic inspection by the Members without payment of any fee from the date of circulation of this Notice up to the date of AGM, i.e. September 15, 2021. Members seeking to inspect such documents are requested to send an email to investor.complaints@bajajhindusthan.com. Inspection shall be provided at a mutually convenient time.

8. Pursuant to General Circular No. 20/2020 dated May 5, 2020 and 02/2021 dated January 13, 2021 issued by the MCA read with SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, Notice of the AGM and Annual Report for the year ended March 31, 2021 are being sent electronically to those Members whose email addresses are registered with the DP/ RTA. Notice of the AGM along with the Explanatory Statement and the Annual Report for the year ended March 31, 2021, circulated to Members is also available on the websites of the Company www.bajajhindusthan.com and on the websites of BSE Limited and National Stock Exchange of India Limited.

9. Company has provided Members, e-voting facility to exercise their right to vote at the AGM by electronic means. The process and manner for availing the said facility is explained in the e-mail under which this Notice is sent to the Members.

10. NRI Members are requested to inform the RTA/DPs immediately of: -

    a. Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier; and

    b. Change in their residential status and address in India on their return to India for permanent settlement.

11. Members desirous of obtaining any information concerning accounts and operations of the Company are requested to address their communications to investor.complaints@bajajhindusthan.com at least seven days before the date of the meeting. The same will be suitably replied by the Company.

12. As shares of the Company are traded under compulsory demat, Members are requested to dematerialise their shareholding to avoid inconvenience.

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

14. In terms of Article 104 of the Articles of Association, read with Section 152 of the Companies Act, 2013, Mr. Amir Singh Yadav, Nominee Director (DIN: 08481111), retires by rotation and being eligible, offers himself for reappointment. The Board of Directors recommends his reappointment.

15. 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.

16. 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).

17. 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.

18. 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.

19. Members are requested to send all communications relating to shares to the Registrar and Share Transfer Agent of the Company.

20. 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 Company has transferred all unpaid/unclaimed dividends upto the year 2011-12 to the Investor Education and Protection Fund. No dividend was declared after 2011-12.

21. 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.

22. 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.

23. 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.

24. 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.

25. 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.

26. Voting through electronic means (Remote e-voting and voting during the meeting)

    a. Members are requested to attend and participate in the ensuing AGM through VC / OAVM and cast their vote either through remote e-voting facility or through e-voting facility to be provided during the AGM.

    b. The facility of e-voting during the AGM will be available to those Members who have not cast their vote by remote e-voting. Members, who have cast their vote by remote e-voting, may attend the AGM through VC / OAVM but will not be entitled to cast their vote once again on resolutions.

    c. 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 89th Annual General Meeting (AGM). The Company has engaged the services of Link Intime India Pvt. Ltd. (LIIPL) as authorised agency to provide e-voting facility. The Members may cast their votes using an electronic voting system from a place other than the venue of the AGM ("remote e-voting"). Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.

    d. The remote e-voting period begins on Sunday, September 12, 2021 (9:00 a.m. I.S.T) and ends on Tuesday, September 14, 2021 (5:00 p.m. I.S.T). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date September 09, 2021 may cast their vote electronically. The remote e-voting module shall be disabled by LIIPL 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.

INSTRUCTIONS FOR REMOTE E-VOTING

Pursuant to SEBI circular dated December 09, 2020 on e-voting facility provided by Listed Companies, individual shareholders holding securities in demat mode can vote through their demat account maintained with Depositories and Depository Participants.

Shareholders are advised to update their mobile number and email I'd in their demat accounts to access e-voting facility.

Login method for individual shareholders holding securities in demat mode / physical mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	• If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. • After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. • If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select Register Online for "IDeAS" Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp • 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. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Individual Shareholders holding securities in demat mode with CDSL	• Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi • After successful login of Easi / Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL, KARVY, LINKINTIME, CDSL. Click on e-Voting service provider name to cast your vote • If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration • Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP where the E Voting is in progress
Individual Shareholders (holding securities in demat mode) & login through their depository participants	• You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. • Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders holding securities in Physical mode & evoting service Provider is LINKINTIME.	1. Open the internet browser and launch the URL: https://instavote.linkintime.co.in ➢ Click on **"Sign Up"** under **'SHARE HOLDER'** tab and register with your following details: - **A. User ID:** Shareholders/ members holding shares in physical form shall provide Event No + Folio Number registered with the Company. **B. PAN:** Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable. **C. DOB/DOI:** Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format) D. **Bank Account Number:** Enter your Bank Account Number (last four digits), as recorded with your DP/ Company. • Shareholders/ members holding shares in physical form but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above ➢ Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#$&*), at least one numeral, at least one alphabet and at least one capital letter). ➢ Click "confirm" (Your password is now generated). 2. Click on 'Login' under **'SHARE HOLDER'** tab. 3. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on 'Submit'. 4. After successful login, you will be able to see the notification for e-voting. Select 'View' icon. 5. E-voting page will appear. 6. Refer the Resolution description and cast your vote by selecting your desired option **'Favour / Against'** (If you wish to view the entire Resolution details, click on the **'View Resolution'** file link). 7. After selecting the desired option i.e. Favour / Against, click on **'Submit'**. A confirmation box will be displayed. If you wish to confirm your vote, click on **'Yes'**, else to change your vote, click on 'No' and accordingly modify your vote.

Institutional shareholders:

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIIPL at https://instavote.linkintime.co.in and register themselves as 'Custodian / Mutual Fund / Corporate Body'. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the 'Custodian / Mutual Fund / Corporate Body' login for the Scrutinizer to verify the same.

Individual Shareholders holding securities in Physical mode & evoting service Provider is LINKINTIME, have forgotten the password:

- o Click on 'Login' under 'SHARE HOLDER' tab and further Click 'forgot password?'
- o Enter User ID, select Mode and Enter Image Verification (CAPTCHA) Code and Click on 'Submit'.

- In case shareholders/ members is having valid email address, Password will be sent to his / her registered e-mail address.
- Shareholders/ members can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above.

- The password should contain minimum 8 characters, at least one special character (@!#$&*), at least one numeral, at least one alphabet and at least one capital letter.

Individual Shareholders holding securities in demat mode with NSDL/ CDSL have forgotten the password:

- Shareholders/ members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.
  - ➢ It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
  - ➢ For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
  - ➢ During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

Helpdesk for Individual Shareholders holding securities in demat mode:

In case shareholders/ members holding securities in demat mode have any technical issues related to login through Depository i.e. NSDL/ CDSL, they may contact the respective helpdesk given below:

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 22-23058542-43.

Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders & evoting service Provider is LINKINTIME

In case shareholders/ members holding securities in physical mode/ Institutional shareholders have any queries regarding e-voting, they may refer the Frequently Asked Questions ('FAQs') and InstaVote e-Voting manual available at https://instavote.linkintime.co.in, under Help section or send an email to enotices@linkintime.co.in or contact on: - Tel: 022 –4918 6000.

GENERAL INSTRUCTIONS

1. The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date of Thursday, September 09, 2021.
2. The facility for e-voting shall also be available at the AGM. Members who have already 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 at the AGM. Only those Members who attend the AGM and have not cast their votes through remote e-voting and are otherwise not barred from doing so will be allowed to vote through the e-voting facility available at the AGM.
3. Any person, who acquires shares of the Company and becomes its Member after the sending of Notice of the AGM and holds shares as on the cut-off date for voting i.e. September 09, 2021, may obtain the login ID and password by following the instructions of Remote e-voting.
4. M/s. Gupta Baul & Associates, Company Secretaries has been appointed as the Scrutinizer to scrutinize the remote e-voting and ensure that the voting process at the AGM is conducted in a fair and transparent manner.
5. The Scrutinizer shall after the conclusion of voting at the AGM, 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/against, if any, to the Chairperson or a person authorized in writing, who shall countersign the same and declare the result of the voting forthwith.
6. The Results declared along with the Report of the Scrutinizer shall be placed on the website of the Company www.bajajhindusthan.com and on the LIIPL website https://instavote.linkintime.co.in and shall also be forwarded to BSE Limited (BSE) and National Stock Exchange of India Ltd (NSE).

PROCESS AND MANNER FOR ATTENDING THE EIGHTY-NINTH AGM THROUGH INSTAMEET

For a smooth experience of AGM proceedings, shareholders who are registered for the event are requested to download and install the Webex application in advance on the device that you would be using to attend the meeting by clicking on the link https://www.webex.com/downloads.html/. Shareholders also have an option to click on the URL provided to attend the meeting. Please read the instructions carefully and participate in the meeting. For any support, shareholders may also call the RTA on the dedicated number provided in the instructions.

1. Open the internet browser and launch the URL for InstaMeet <<https://instameet.linkintime.co.in>> and register with your following details: -
   - **a. Demat Account No. or Folio No.:** Enter your 16-digit Demat Account No. or Folio Number registered with the Company.
   - **b. PAN:** Enter your 10-digit Permanent Account Number.
   - **c. Mobile No.:**
   - **d. Email ID:**
2. Click "Go to Meeting"
3. Members can log in and join 15 minutes prior to the schedule time of the AGM and window for joining the meeting shall be kept open till the expiry of 15 minutes after the scheduled time. The Company shall provide VC/OAVM facility to Members to attend the AGM. The said facility will be available for 1000 Members on first come first served basis. This will not include large Members (i.e. Members with 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, chairpersons of the audit committee, nomination & remuneration committee and stakeholders' relationship committee, auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

Instructions for Shareholders/Members to Speak during the AGM through InstaMeet:

1. Shareholders who would like to speak during the meeting must register their request mentioning their name, demat account number/folio number, email id, mobile number at investor.complaints@bajajhindusthan.com, atleast 3 days prior to the date of AGM i.e. on or before 11.00 A.M (IST) on Sunday, September 12, 2021.
2. Speakers will only be allowed to express their views/ask questions on first come first served basis during the meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
3. Shareholders who would like to ask questions, may send the same in advance mentioning their name, demat account number/folio number, email id, mobile number at investor.complaints@bajajhindusthan.com, atleast 3 days prior to the date of AGM i.e. on or before 11.00 A.M. (IST) on Sunday, September 12, 2021. The same will be replied by the Company suitably.
4. Shareholders will get confirmation on first come first served basis depending upon the provision made by the Company.
5. Shareholders will receive 'speaking serial number' once they mark attendance for the meeting. Shareholders are requested to speak only when Moderator of the meeting will announce the name and serial number for speaking.
6. Please remember 'speaking serial number' and start your conversation with panelist by switching on audio of your device.
7. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

Instructions for Shareholders to Vote during the AGM through InstaMeet:

Once the electronic voting is activated by the Scrutinizer/Moderator during the meeting, shareholders who have not exercised their vote through the remote e-voting can cast the vote as under: -

1. On the shareholders VC page, click on the link for e-Voting 'Cast your vote'.
2. Enter Demat Account No./Folio No. and OTP (received on the registered mobile number/ registered Email ID) received during registration for InstaMeet and click on 'Submit'.
3. After successful login, you will see 'Resolution Description' and against the same the option 'Favour/Against' for voting.
4. Cast your vote by selecting appropriate option i.e. 'Favour/Against' as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.
5. After selecting the appropriate option i.e. 'Favour/Against' as desired and you have decided to vote, click on 'Save'. A confirmation box will be displayed. If you wish to confirm your vote, click on 'Confirm', else to change your vote, click on 'Back' and accordingly modify your vote.
6. Once you confirm your vote on the Resolution, you will not be allowed to modify or change your vote subsequently.

   Note: Shareholders present at the AGM through InstaMeet facility and who have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting from 11.00 A.M (IST) till the expiry of 15 minutes after the AGM is over. Shareholders who have voted through remote e-voting prior to the AGM will be eligible to attend/participate in the AGM through InstaMeet. However, they will not be eligible to vote again during the meeting.

   Shareholders are encouraged to join the AGM through Tablets/Laptops connected through broadband for better experience.

   Shareholders are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the currency of the AGM.

   Please note that shareholders connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/ Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate such kind of glitches.

   In case shareholders have any queries regarding e-voting, they can address them to instameet@linkintime.co.in or call on +91 (022) 4918 6175.

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 Item No. 3 to 6 of the accompanying Notice.

In respect of Item No. 3 (Special Business)

Based on the recommendations of the Nomination and Remuneration committee, the Board of Directors of the Company had appointed Mr. Vinod C Sampat (DIN: 09024617) as an Additional Director to be designated as independent Director of the Company, pursuant to the provisions of Section 149, 161(1) of the Act and the Articles of Association of the Company with effect from January 21, 2021.

Mr. Vinod C. Sampat (DIN: 09024617), aged 62 years, an Advocate, is a wizard in the field of property related laws. He started his career 30 years back as an individual practicing lawyer and has been a litigation lawyer since then. Currently he is the proprietor of Sampat's Law Firm. He is also fondly also known as a property "pundit". He advises corporates and many multi-nationals, media houses, co-operative housing societies, eminent personalities of television and films in matters related to property. His expertise lies in co-operative housing societies, self-redevelopment, RERA, consumer protection act, car parking, transfer of flats, recovery of dues etc. He has authored more than 100 books on Co-operative Societies, Transfer of Flat, Recovery of Dues, Registration and Stamp Duty, Car Parking, RERA etc. He has a team of specialists in the fields of Information Technology Laws, Negotiable Instruments Act, Criminal Law, Matrimonial Laws etc.

In accordance with the provisions of Section 149 read with Schedule IV to the Act, appointment of an Independent Director requires approval of members. The Company has received a declaration from Mr. Vinod C Sampat that he meets the criteria of independence as prescribed under sub-section (6) of Section 149 of the Act. In the opinion of the Board Mr. Sampat fulfills the conditions for his appointment as an Independent Director as specified in the Act and the Listing Regulations. Mr. Vinod C. Sampat is independent of the management.

The details of Mr. Sampat pursuant to the provisions of (i) the Listing Regulations and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India are provided in the "Annexure - A".

The Company has received a notice pursuant to Section 160 of the Companies Act, 2013 from a member signifying his intention to propose the appointment of Mr. Vinod C Sampat as an Independent Director. Mr. Sampat has consented to continue as Independent Director of the Company, if appointed.

Copy of the notice received under Section 160 of the Companies Act, 2013 and copy of draft letter of appointment of Mr. Sampat, setting out the terms and conditions of appointment and other documents mentioned hereinabove are available for inspection by the members electronically, as referred in the Note No. 7 of this Notice.

The Board of Directors of the Company recommends passing of the Ordinary Resolution at Item No.3 of the Notice for approval of the members.

Mr. Sampat and his relatives are interested in the Resolution pertaining to his appointment 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 this resolution.

In respect of Item No. 4 (Special Business)

Ms. Shalu Bhandari (DIN 00012556), aged 42 years, is an Independent Non-Executive Director of the Company. Pursuant to the Companies Act 2013 and SEBI Listing Regulations, Ms. Shalu Bhandari was appointed as an Independent Non-Executive Director of the Company to hold office for five consecutive years for a term up to September 16, 2021 ("first term" in line with the explanation to Sections 149(10) and 149(11) of the Act).

Ms. Bhandari joined the Board of Directors of the Company in September 2016. Ms. Bhandari is a non-executive Director of the Company holding the position of Independent Director of the Company as per the Act and Listing Regulations. Ms. Bhandari is a Member of Nomination and Remuneration Committee (earlier Remuneration and Compensation Committee), Audit Committee and Corporate Social Responsibility Committee (CSR Committee) of the Board of Directors of the Company. Ms. Bhandari 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, Practising 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.

The Nomination and Remuneration Committee of the Board of Directors of the Company, on the basis of the report of performance evaluation of Independent Directors has recommended reappointment of Ms. Shalu Bhandari as an Independent Director for a second term of 5 (five) consecutive years on the Board of the Company.

Section 149 of the Act and provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") inter alia prescribe that an independent director of a company shall meet the criteria of independence as provided in Section 149(6) of the Act.

Section 149 of the Act also provides that an Independent Director shall hold office for a term of up to five consecutive years on the Board of a Company and shall be eligible for re-appointment on the Board of a Company on passing a special resolution by the company and disclosure of such appointment in its Board's report. Section 149(11) provides that an independent director may hold office for up to two consecutive terms of up to five consecutive years each.

Ms. Shalu Bhandari is not disqualified from being appointed as Directors in terms of Section 164 of the Act and have given her consent to act as Director. The Company has received notice in writing from a member proposing the candidature of Ms. Shalu Bhandari for the office of Independent Director of the Company. The Company has also received declarations from Ms. Bhandari that she meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under the Listing Regulations. In the opinion of the Board, Ms. Bhandari fulfil the conditions for appointment as Independent Director as specified in the Act and the Listing Regulations. Ms. Bhandari is independent of the management.

The Board, based on the performance evaluation of Independent Directors and as per the recommendation of the Nomination and Remuneration Committee, considers that, given their background and experience and contributions made during her tenure, the continued association of Ms. Bhandari would be beneficial to the Company and it is desirable to continue to avail her services as an Independent Director. Accordingly, it is proposed to re-appoint Ms. Shalu Bhandari as Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board of the Company with effect from September 17, 2021 to September 16, 2026. The Board recommends the Special Resolutions set out at Item Nos. 4 of the Notice for approval by the members.

The details of Mrs. Bhandari pursuant to the provisions of (i) the Listing Regulations and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India are provided in the "Annexure - A".

Copy of draft letter of appointment of Ms. Shalu Bhandari setting out the terms and conditions of appointment and other documents mentioned hereinabove is available for inspection by the members electronically, as referred in the Note No.7 of this Notice. This statement may also be regarded as an appropriate disclosure under the Listing Regulations.

Ms. Shalu Bhandari is interested in the Resolution pertaining to respective appointment at Item No.4 of the Notice. The relatives of Ms. Shalu Bhandari may be deemed to be interested in the respective resolution to the extent of her shareholding interest, if any, in the Company. 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.

In respect of Item No. 5 (Special Business)

On recommendation of Audit Committee at its meeting held on June 08, 2021, 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, 2022 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 Rs. 4,75,000/- (Rupees Four lakh seventy five 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. 5 of the Notice for ratification of the remuneration payable to the cost auditor for the financial year ending March 31, 2022.

The Board of Directors of the Company recommends passing of the Ordinary Resolution set out at Item No. 5 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. 5 of the Notice.

In respect of Item No.6 (Special Business)

Mr. Ashok Kumar Gupta, Managing Director resigned from the position of Managing director due to health condition and ceased to be a director with effect from June 30, 2021. Mr. Veer Pal Singh appointed as Whole time director on July 02, 2021, had also resigned from the directorship with effect from August 12, 2021. In accordance with Section 203, every listed companies shall have a Managing Director or CEO or Whole-time Director as whole time Key Managerial Personnel (KMP).

The Board of Directors at its meeting held on August 13, 2021, 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, has approved appointment of Mr. Alok Kumar Vaish as the Managing Director of the Company with effect from August 13, 2021 upto August 12, 2026 on terms and conditions set out in Resolution at item No.6 of the Notice.

Mr. Alok Kumar Vaish, aged about 54 years, is working with the Company since 26th March 2004 and is a Chartered Accountant since 1991. Mr. Alok Kumar Vaish currently has over 28 years of professional experience in the field of Finance & Accounts. Prior to joining the Company, Mr. Vaish had worked with A.M. Securities Ltd., Shree Janki Solvent Extraction Ltd. and Oswal Chemicals & Fertilizers Ltd.

The Company has received a Notice pursuant to Section160 of the Companies Act, 2013 from a member, signifying his intention to propose the appointment of Mr. Alok Kumar Vaish as a Director.

In terms of the provisions of Schedule V of the Act, in case of inadequacy of profits, remuneration can be paid to the managerial personnel based on the effective capital of the Company. Remuneration in excess of the limit based on the effective capital may be paid by passing of special resolution passed by the shareholders. The Board, pursuant to approval of Nomination and Remuneration Committee, has proposed to pay the remuneration as stated in the resolution at Item No. 6 of the Notice to Mr. Vaish 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. Vaish 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 Schedule V of the Act and accordingly recommends the Special Resolution at Item No. 6 of the Notice.

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, appointment of Mr. Alok Kumar Vaish 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.6 of the Notice.

Details of Mr. Alok Kumar Vaish, pursuant to the provisions of Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India and Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed to the notice as Annexure A. 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. 6 is annexed hereto marked as Annexure – B.

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, 2021 setting out the terms of appointments and remuneration as required under Section 190 of the Companies Act, 2013 and a copy of Notice received under Section 160 of the Companies Act, 2013 are available for inspection by the members electronically, as referred in the Note No.7 of this Notice.

Mr. Alok Kumar Vaish and his relatives may be deemed to be interested in the Resolution at Item No. 6 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.

By Order of the Board of Directors

Kasuik Adhikari
Company Secretary
(ACS 18556)

Dated: 13/08/2021
Place: Mumbai

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

Registrar and Share Transfer Agent:
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

Annexure A

Details of Directors pursuant to Regulation 36(3) of the Listing Regulations and Secretarial Standard General Meetings:

Name of the Director	Mr. Amir Singh Yadav	Mr. Vinod C Sampat	Ms. Shalu Bhandari	Mr. Alok Kumar Vaish
Director Identification Number	08481111	09024617	00012556	07250267
Date of Birth/age	11.07.1961/ 60 years	14.12.1959/ 62 years	13.04.1979/ 42 years	29.08.1967/ 54 years
Date of first appointment on the Board	25.06.2019	21.01.2021	17.09.2016	13.08.2021
Relationship with other director, Manager and other Key Managerial personnel of the Company	None	None	None	None
No. of Board meeting attended during FY 2020-21	1	1	7	N.A.
Qualifications	M.Com, CAIIB	B.Com (Hons), LLB	B.Com, FCS	FCA
Expertise in functional area	Professional Banker with 36 years of experience	Ms. Sampat an Advocate is a wizard in the field of property related laws. He started his career 30 years back as an individual practising lawyer.	A Practising Company Secretary, providing services in the field of Corporate Law matters with a dedicated focus towards handholding entrepreneurs and corporates	Mr. Vaish is a Chartered Accountant having over 28 years of professional experience in the field of Finance & Accounts.
Number of shares held in the Company	Nil	Nil	Nil	Nil
List of other Directorships held in other public limited Companies	Nil	Nil	1. Bajaj Energy Ltd. 2. Bajaj Power Ventures Pvt Ltd. 3. Lalitpur Power Generation Co. Ltd. 4. Balu Forge Industries Ltd.	Nil
Chairman/Member of the Committees of the Boards of other companies in which he/she is Director				
a) Audit Committee	Nil	Nil	1. Bajaj Energy Ltd. 2. Bajaj Power Ventures Pvt Ltd. 3. Lalitpur Power Generation Co. Ltd.	Nil
b) Stakeholders Relationship Committee	Nil	Nil	Nil	Nil

Note: Pursuant to Regulation 26 of the Listing Regulations, only two Committee viz. Audit Committee and Stakeholders Relationship Committee have been considered.

'ANNEXURE–B' REFERRED TO IN THE EXPLANATORY STATEMENTS TO RESOLUTION AT ITEM NO. 6 OF THE NOTICE FOR 89TH 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. 6 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 31.03.2021 (₹ in Crore)	Audited figure for 12 month period ended 31.03.2020 (₹ in Crore)	Audited figure for 12 month period ended 31.03.2019 (₹ in Crore)
1.	Revenue from operations	6671.67	6,665.60	6,803.82
2.	Other income	16.53	11.01	163.61
3.	Total Expenses	6492.63	6,207.01	6,500.66
4.	Finance Charges (net)	263.09	300.75	321.78
5.	Depreciation & Amortization	215.16	215.87	211.33
6	Exceptional items	-	(60.71)	-
7.	Profit /(Loss) before tax	(282.68)	(107.73)	(66.34)
8.	Provision for Tax Expenses	(3.08)	(2.36)	(2.26)
9.	Profit / (Loss) after tax	(279.60)	(105.37)	(64.08)

(5) Export performance and net foreign exchange collaborations: ₹ 22.43 crore

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

II. Information about the appointee Mr. Alok Kumar Vaish

(1) Background details:

Mr. Alok Kumar Vaish, Chief Financial Officer aged about 54 years is working with the Company since 26th March 2004 and is a Chartered Accountant since 1991. Mr. Alok Kumar Vaish currently has over 28 years of professional experience in the field of Finance & Accounts. Prior to joining the Company, Mr. Vaish had worked with A.M. Securities Ltd., Shree Janki Solvent Extraction Ltd. and Oswal Chemicals & Fertilizers Ltd.

(2) Past remuneration:

For the year ended March 31, 2021	₹ 74,83,686
For the year ended March 31, 2020	₹ 64,64,663
For the year ended March 31, 2019	₹ 57,14,686

(3) Recognition of awards: Nil

(4) Job profile and suitability: Mr. Alok Kumar Vaish is working with the Company for more than 17 years and is responsible for overall Finance and accounts functions of the Company. He has over 28 years of professional experience in the field of Finance & Accounts.

(5) Remuneration proposed: As stated in Resolution at Item No. 6, 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. Alok Kumar Vaish 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: Other than these and the remuneration paid to Mr. Alok Kumar Vaish, there is no other pecuniary relationship of Mr. Alok Kumar Vaish, 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).

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 is held up with the Government. 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 Company's initiatives towards better financial management also reduced the finance cost on Company's borrowings during the financial year. During the year the Company has started production of ethanol from heavy B molasses, which will increase ethanol production of the Company.

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

The Company is the largest producer of sugar in India 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 151 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. With a view to support sugar sector and in the interest of sugarcane farmers, the Government has increased the price of ex-mill price of ethanol derived from C-heavy molasses, B-heavy molasses and from direct sugarcane juice. This will improve the profitability of the sugar mills.

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;

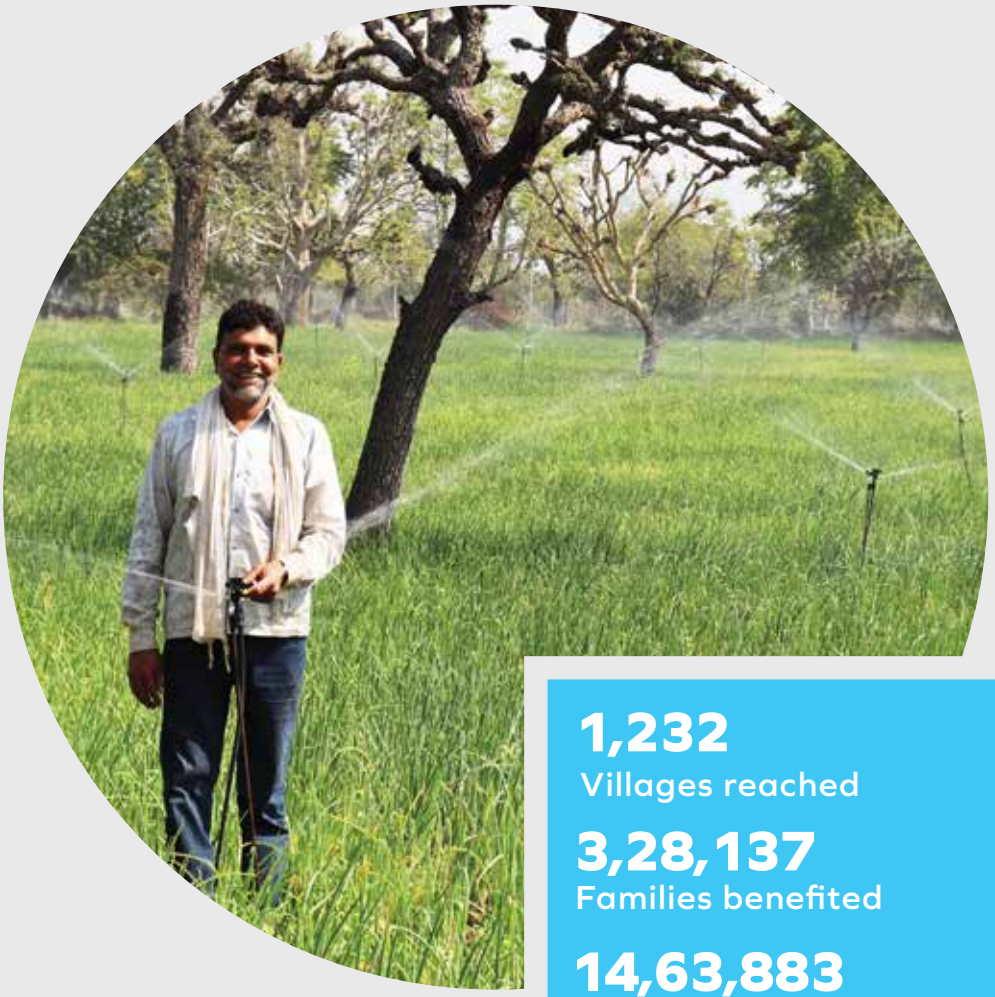
The requisite details in respect of para 2(i) to 2(iii) in respect of all Directors are given in the Corporate Governance Report for the financial year ended March 31, 2021 attached to the 89th Annual Report.

bajaj GROUP
THINK TOMORROW

MAKING THE FUTURE SUGAR SWEET

bajaj SUGAR | Bajaj Hindusthan Sugar Ltd.

EIGHTY NINTH | ANNUAL REPORT | 2020-2021



Promotion of micro irrigation devices save water for irrigation up to 70%. A farmer with his sprinkler irrigation system at village Palasiya in Piprali block of Sikar.

1,232
Villages reached

3,28,137
Families benefited

14,63,883
Population covered

Figures shown in parentheses indicate the achievements during the year 2020-21; rest of the figures reflect the cumulative achievements over the years.

GLIMPSES OF CSR PROGRAMME

Biogas: A boon for the Rural Community

5,568 Biogas plants installed (275)
785 Domestic solar light/solar street light units installed (100)
735 farmers benefited under Solar Pump-offgrid (452)

Health Camp

18,729 Villagers benefited under health camp/ Mobile dispensary programme (2,892)

Design for changes

322 Design for change initiative (42)

Promotion of indigenous cows

8,374 families adopted indigenous cows (7)

Skill and entrepreneurship development

4,464 Youth benefited under Skill Development Programme (505)

Village institutions

6,795 Village institutions established (95)

Rural Infrastructure Development

- 9 KM Cement concrete road constructed for village connectivity
- 42 KM Road constructed for village connectivity
- 39 Need-based community assets constructed
- 1 Village water supply scheme
- 6 Cow rehabilitation centres constructed at village level

Crop Demonstration on Vegetable Cultivation on trellis system under Climate Proofing project at village Rahati in Karanja block of Wardha

Biogas reduces the drudgery involved in cooking on traditional chulhas and provides clean fuel. The smoky-free environment also improves the health of the rural women. A family installed Biogas plant at village Chakur, Samudrapur, Wardha

Under Income Generation activities, we are supporting members of SHGs to instal handloom unit and train them in weaving of Khadi on Handloom. A training at village Digras in Wardha block

WOMEN EMPOWERMENT

4,421 Self-Help Groups formed (28)

56,294 families benefited (336)

12,900 families covered under kitchen garden (3,127)

7,300 families benefited under Rural Enterprise (116)

437 Special initiative for needy family (157)

1,194 Soak Pit Constructed

73,291 women are benefited under the programmes of Self-Help Groups, Income Generation Activities, dissemination of Indigenous Cows and installation of Biogas Plants in 958 villages

Health awareness camps were organised at villages. An awareness camp with women of SHGs at Samudrapur block of Wardha.

Construction of recharge structures serve rainwater harvesting as well as reduce the waterlogging in the farmer's field. This structure increase the groundwater table. A recharge structure at village Shekapur in Wardha.

WATER RESOURCES DEVELOPMENT AND SOIL CONSERVATION STRUCTURES

245 Rivers/streams of 675.03 km length rejuvenated (6.5)

107 Check dams constructed

3,507 Farm Ponds/Recharge Pits constructed (221)

3,099 Wells Recharged (735)

1,401 Roof rainwater harvesting structures constructed (211)

273 Group Wells constructed (19)

975 Individual Wells Deepening (50)

1,540 Lift irrigation devices installed (25)

79 Percolation tanks constructed (9)

6,995 Drip and sprinkler irrigation systems supported (609)

3,010 Boribundhs Installed (634)

1,517 acres of farm bunds formed

1,763 Gabion structures formed, 2,225 families benefited

5,568 Acres of land levelled and brought under cultivation (244)

Under Lift Irrigation System, water is lifted from source and distributed equally among the group of farmers. A Lift Irrigation System installed at village Digras of Wardha block.

WAT (Water Absorption Trench) is a trench which absorbs water and reduce the soil erosion. A WAT constructed in the field of farmer in village Nandora Karanja block of Wardha.

71,948 families and 2,86,599 acres of land are covered under Water Resource Development and Soil Conservation Programme in 1,077 villages

Climate-proofing programme provides opportunities to the farmers to demonstrate the various crops in local climatic conditions. A vegetable cultivation demonstration of farmer at village Rahati in Karanja block of Wardha.

PROMOTION OF SUSTAINABLE AGRICULTURE

11,276 families covered under Convergence of Agricultural Interventions in Maharashtra (CAIM) project

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

23,547 families benefited under WADI project (2,727)

16,377 farmers adopted under Natural farming (3,729)

11,492 acres under vegetables/Mini Drip with overhead tank/cash crops/floriculture (262)

64,513 farmers covered under 2,541 trainings arranged for the promotion of Natural Farming (11,356 farmers covered under 732)

34 families supported for the construction of Indigenous Cow Urine Collection Unit (24)

2,046 families benefited under climate proofing project

18 farmer producer companies established
139 grameen fridge constructed

896 cattle drinking systems/chaff cutter

1,06,165 farming families and 1,49,963 acres of land are benefited under a programme of Sustainable Agriculture Practices in 1,095 villages.

Exposure visits of farmers on demonstration plots are important to understand the processes adopted under natural farming. A group of farmers from Samudrapur block visited the farm of Wasudev Hedau, Village-Allipur, Block-Hinganghat.

Roof Rain Water Harvesting structures (RRWHS) has proved a one time investment and permanent solution to pure and safe drinking Water. Suman Kanwar of village Kasli with her RRWHS structures in Sikar.

Under Design for change initiative project students of Government Sr. Secondary School, Suthoth has constructed common rain water recharge structure in Sikar.

Natural farming reduces the cost of cultivation drastically which intern increases the net profit. Vegetables cultivation under natural farming Ranjit Ram of village Chidasara in Dhodh block cultivated cauliflower under natural farming.

The mobile dispensary van initiated by Lalitpur Power Generation Company Ltd caters nearby 10 villages of LPGCL plants villages got benefitted Shri. A. N. Sar, Unit head ,LPGCL has flag off the initiatives.

Capacity building of the community is an integral part of the all the development initiatives. A women meeting conducted at village Pah at Lalitpur programme area.

WADI is a horticulture plantation livelihood model in one acre of farming land. We have raised 1000 WADI in Lalitpur programme area to strengthens the livelihood of tribal farmers.

CHAIRMAN'S LETTER

KUSHAGRA BAJAJ
Chairman

Perhaps our sugar could add sweetness to the pandemic and we all could just wish away the numbing facts and the devastating despair that has swamped the world. The second wave of COVID has brought in a dance of death wherever it arrived and India too was not spared. Globally, the past eighty odd weeks has brought in a tectonic shift to lives. We were not ready yet we had to step back as we shut down the world last March 2020. The skies were empty of aircrafts buzzing around, markets and businesses had shutters closed and schools and offices all suspended in hours. Huddled at home with just a mask to protect and hands to wash were the only preventive remedies. A year down the line by March 2021 the world fought back hard. Never ever in world history was a vaccine researched at such good speed and introduced for use. While COVID surely has surprised us in many ways of how as humans we are just a small actor in the brutal reality of this beautiful Universe at large, medical research and technology does instil a constant hope of sustenance in both our present and future.

India's fight against COVID has been both humbling and daunting. The last two quarters of 2020-21 saw a huge bounce back of how industry stood up. Yes, there were business losses in the sugar industry with beverages demand crashing, the hospitality industry and hence restaurants and stores being shut and

marriages and functions allowed in limited volumes. There were Government interventions to support the COVID comeback fight through fiscal and monetary measures. In addition, two leading vaccines which were being manufactured by our own Indian companies led the robust unlock period. However, the second wave hit India with a monstrous severity by March 2021. The unrelenting rocketing of cases almost overnight along with deaths shook the nation despite the glimmer of hope in the horizon of vaccination being started by February 2021.

On the global front with vaccines being given on a wider scale, both Europe and USA recovered well, despite a huge challenge UK and part of Europe faced due to the second wave. The global prices of sugar remained high which has certainly been some sweet news for our domestic industry. In its "Sugar: World Markets and Trade" report, the USDA said global sugar production next season, which is October 2021 - September 2022 in most countries, would be 186 million tonnes with the European Union, India and Thailand making up for a fall in Brazil output. The USDA report adds that India will play a significant role in 2021-22 season's global sugar production increasing by six million tonnes (mt) but it could also result in the country carrying over huge stocks to the following season. It is important to note that global prices are not expected to weaken this year cause Brazil would have a 2 to 3 million tonnes less production with some estimate for less production as low as 7 to 8 million tonnes. Though inspite a fall in Thai production, this year it is expected to bounce back in international markets with an estimated 10.4 million tonnes of supply as per USDA. On a macro note, global sugar exports next season are projected to increase to 65.95 million tonnes from 64.24 million tonnes this season with Thailand likely to be the major gainer.

On the domestic front, India had a rebound in production to over 30.5 million tonnes till May 31, 2021 and estimated to produce 31.0 million tonnes this year from 27.4 million tonnes last year. On the export front, mills have exported a total of 4.57 million tonnes of sugar from October 2020 till May 2021 and it is estimated that overall Sugar exports this year would reach record high of 6.8 - 7.0 million tonnes. Of the total exports undertaken so far, maximum exports have been to Indonesia at 1.40 million tonnes this year. Notably, India's highest export last year was to Iran and there is a possibility of an increased export to Iran in the backdrop of oil restrictions expected to be removed by USA. It is important to mention here that the Government has allowed ports to give priority berth to all sugar shipments that has helped encourage a smoother and fast outflow, and reduce bottlenecks. This would especially help during monsoons where sugar being a hygroscopic commodity catches moisture fast and hence stocks awaiting exports in the docks should be evacuated on priority.

Unlike last year where lockdown was sudden given the gravity of the ground threats to health, the lockdown in the second wave had a better operational and administrative execution. This was possible in the backdrop of a previous experience wherein both the administration and the industry were better prepared in terms of working under the

second set of lockdown norms and an improved set of standard operating protocols. A targeted efficiency that maximised safety of people and minimal blockages of road transport, working of industry and shifting out from blanket closure of states helped the industry tide over the operational challenges. However, a candid outcome of the lockdown during the second wave and its true economic effects would only be known decisively towards the later part of the fiscal. On the ethanol front, it is heartening to note that the average blending percentage has increased from 5% last year to current level of 7.56% this year with Govt. target of overall 8.5% this year and it is expected that the numbers would likely move up to 10.0% next year. Government targeting achieving Ethanol blending of 20% by the Year 2025 with rollout from Year 2023. Government also started trial project for 100% Ethanol as fuel (E 100) at 3 locations in Pune.

On the policy front, there has been a mounting payment of dues to sugarcane farmers which is ₹21,321 Crore as on May 31. The growing level of dues at an alarming proportion has to be addressed in terms of an increase in the minimum selling price that would lead to an immediate relief for both the farmers and the industry. Increased revenue realisation should continue to happen through the export route with continued required export assistance for the programme and Ethanol supplies. The elephant in the room of rising arrears has always been a huge stumbling block to any efficiency or cash flow planning for the industry. The concerns of the industry quadruple especially causing survival issues for the smaller industries which have lesser headroom for efficient cash flow planning. Unfortunately, rising arrears especially at such high levels would have a damaging footprint irrespective of the size of the player.

I am happy to share that your Company during the year ended March 31, 2021, crushed 15.603 MMT of sugarcane as against 15.845 MMT in the previous year. This year, sugar recovery was 11.06% as against 11.65% in the previous year. During the sugar season 2020-21, the Company has diverted 3.915 MMT (25.09 %) sugarcane for producing B-heavy molasses owing to which sugar recovery was lower. During the year, the Company produced 17,25,981 MT sugar (previous year 18,45,270 MT) and 5,32,403 MT C-molasses (previous year 7,12,011 MT) and 2,51,560 MT B-heavy molasses (previous year Nil). The Company sold 18,52,660 MT of sugar and 4,23,397 MT of molasses during the year as against 18,70,362 MT of sugar and 4,65,568 MT of molasses during the previous year.

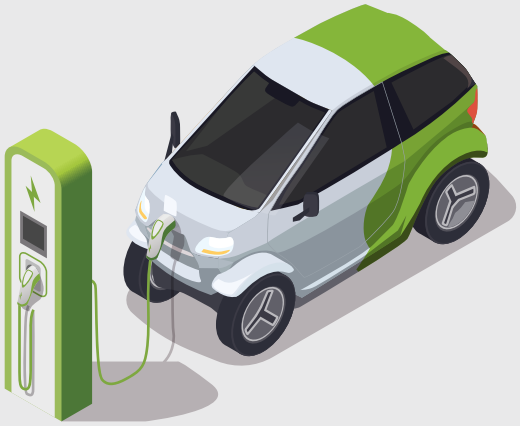
The Company produced 29,335 KL of Ethanol out of B-heavy molasses during the year. Ethanol sales during the year produced from B-heavy molasses stood at 24,970 KL at an average realisation of ₹57,593 per KL. Ethanol sales from molasses produced from C-heavy route stood at ₹59,292 KL at an average realisation of ₹42,702 per KL as compared to ₹62,174 KL at an average realisation of ₹41,641 per KL in previous year.

During the year, Power generation was at 751.43 Million Units (MUs) as against 780.52 MUs in the previous year. The Company exported 186.66 MUs of power as against 217.94 MUs during the previous year.

Our driving force has been our entire team without whom the challenges of the industry would never have been fought. It is critical that the strength and fabric of your Company always has the support of all our colleagues and their families to establish us as one of India's leading player in the sugar industry. These are extreme trying times with the constant threat of COVID and not a single human being has been spared or insulated from the dreaded pandemic directly or indirectly.

The earnings of the Indian sugar industry while at present can look forward to being supplemented from the export markets & Ethanol as it also helps in tacking excess Sugar stocks, increase in Sugar MSP is required for constant income sustenance and payment of cane arrears. In the long run, rationalisation of Cane pricing in line with end products revenue will be the sustainable solution. Global prices may soften with any change in weather especially in Brazil or Thailand. In India, we had good monsoons in the recent past leading to good production. It's imperative that a more constant income flow not limited to export markets is devised in terms of policy for the industry and for our sugarcane farmers. I reiterate Niti Aayog's view of how minimum selling price remains a key policy determinant for a healthy growth of the 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. I sincerely wish the ongoing nationwide vaccine drive by the next year makes our nation a more robust and healthy nation that would continue with the formidable growth momentum.



BOARD OF DIRECTORS

Kushagra Bajaj
Chairman
(Non-Executive)

Ashok Kumar Gupta
Managing Director
(up to 30.06.2021)

Alok Kumar Vaish
Managing Director
(w.e.f. 13.08.2021)

D. K. Shukla
Independent Director

Atul Hasmukhrai Mehta
Independent Director

Vipulkumar S. Modi
Independent Director
(up to 06.01.2021)

Vinod C Sampat
Independent Director
(w.e.f. 21.01.2021)

Shalu Bhandari
Independent Director

Ashok Mukand
Nominee Director (SBI)

Amir Singh Yadav
Nominee Director (PNB)

COMPANY SECRETARY

Kausik Adhikari
Company Secretary

CHIEF FINANCIAL OFFICER

Alok Kumar Vaish
Chief Financial Officer
(up to 12.08.2021)

Sunil Kumar Ojha
Chief Financial Officer
(w.e.f. 14.08.2021)

STATUTORY AUDITORS

R.S. Dani & Co.
Chartered Accountants

COST AUDITORS

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

SECRETARIAL AUDITOR

Anant B Khamankar & Co.
Company Secretaries

BANKERS

Bank of Baroda

Bank of India

Bank of Maharashtra

Central Bank of India

Canara Bank

IDBI Bank Limited

Indian Bank

Indian Overseas Bank

Punjab National Bank

State Bank of India

UCO Bank

Union Bank of India

REGISTERED OFFICE

Golagokarannath, Lakhimpur-Kheri, District Kheri,
Uttar Pradesh - 262 802

+91-5876-233754/5/7/8, 233403

+91-5876-233401

investor.complaints@bajajhindusthan.com

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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5 YEARS PERFORMANCE TRENDS : 2017-2021

₹ Crore

BALANCE SHEET	31.03.2021	31.03.2020	31.03.2019	31.03.2018	31.03.2017
ASSETS					
Non-current assets					
Property, plant and equipment	6,985.26	7,178.15	7,390.08	7,535.76	7,728.17
Right of use assets	6.78	9.44	-	-	-
Capital work-in-progress	25.17	43.07	16.56	65.79	36.05
Other intangible assets	-	-	-	-	-
Financial assets					
Investments	140.24	191.68	251.27	1,055.92	1,108.30
Other non-current financial assets	3.98	2.07	3.99	2.35	4.93
Other non-current assets	13.55	14.14	12.97	15.78	21.79
Sub total	7,174.98	7,438.55	7,674.87	8,675.60	8,899.24
Current assets					
Inventories	2,541.34	2,711.39	2,764.98	2,847.88	3,009.52
Financial assets					
Current investments	770.13	770.13	770.13	-	-
Trade receivables	218.73	173.18	206.05	192.43	165.58
Cash and cash equivalents	63.00	100.69	48.10	31.28	30.09
Bank balances	8.89	10.49	11.42	23.39	51.41
Loans and interests accrued	2,091.29	2,091.29	2,146.58	2,002.04	1,855.71
Current tax assets (net)	5.38	4.26	3.76	4.41	21.63
Other current assets	805.33	789.32	779.81	815.63	769.68
Sub total	6,504.09	6,650.75	6,730.83	5,917.06	5,903.62
Total	**13,679.07**	**14,089.30**	**14,405.70**	**14,592.66**	**14,802.86**
EQUITY AND LIABILITIES					
Equity					
Equity share capital	110.07	110.07	110.07	110.07	110.07
Other equity	2,830.84	3,144.21	3,294.98	3,387.79	3,833.44
Sub total	2,940.91	3,254.28	3,405.05	3,497.86	3,943.51
Liabilities					
Non-current liabilities					
Financial liabilities					
Borrowings	4,802.32	5,139.53	5,382.09	5,892.42	5,459.79
Lease liabilities	4.84	7.28	-	-	-
Provisions	76.58	69.26	53.75	43.35	40.23
Deferred tax liabilities (net)	590.94	610.07	629.46	642.54	653.13
Other non-current liabilities	35.84	25.98	21.74	13.70	8.73
Sub total	5,510.52	5,852.12	6,087.04	6,592.01	6,161.88
Current liabilities					
Financial liabilities					
Borrowings	-	-	-	156.26	242.74
Trade payables	4,459.92	4,439.52	4,161.92	3,372.67	2,785.87
Other financial liabilities	596.76	390.16	663.91	773.32	1,369.64
Other current liabilities	154.77	139.71	76.20	190.60	123.41
Provisions	16.19	13.51	11.58	9.94	175.81
Sub total	5,227.64	4,982.90	4,913.61	4,502.79	4,697.47
Total	**13,679.07**	**14,089.30**	**14,405.70**	**14,592.66**	**14,802.86**

₹ Crore

NET INCOME STATEMENT Year / period ended	31.03.2021	31.03.2020	31.03.2019	31.03.2018	31.03.2017
INCOME					
Revenue from operations	6,671.67	6,665.60	6,803.82	5,938.38	4,618.64
Other income	16.53	11.01	163.61	166.93	162.27
Total	**6,688.20**	**6,676.61**	**6,967.43**	**6,105.31**	**4,780.91**
EXPENSES					
Purchases and materials consumed	5,297.32	5,363.34	5,658.63	4,900.53	4,037.88
Manufacturing & other expenses	1,002.00	783.50	735.61	757.60	758.06
Changes in inventories of finished goods and work-in-progress	193.31	60.17	106.42	(2.60)	(1,032.80)
Total	**6,492.63**	**6,207.01**	**6,500.66**	**5,655.53**	**3,763.14**
Profit/ (loss) before depreciation, interest and tax (PBIDT)	**195.57**	**469.60**	**466.77**	**449.78**	**1,017.77**
Finance cost	263.09	300.75	321.78	680.17	802.07
Depreciation and amortization	215.16	215.87	211.33	196.91	214.12
	478.25	516.62	533.11	877.08	1,016.19
Profit / (loss) before exceptional items and tax	**(282.68)**	**(47.02)**	**(66.34)**	**(427.30)**	**1.58**
Exceptional items	-	(60.71)	-	-	-
Profit / (loss) before tax (PBT)	**(282.68)**	**(107.73)**	**(66.34)**	**(427.30)**	**1.58**
Tax expense	(3.08)	(2.36)	(2.26)	(4.11)	(5.82)
Profit / (loss) after tax (PAT)	**(279.60)**	**(105.37)**	**(64.08)**	**(423.19)**	**7.40**
Dividend	-	-	-	-	

Directors' Report

Dear Members,

Your Directors have pleasure in presenting their Eighty Ninth annual report and the audited financial statements for the year ended March 31, 2021.

Financial highlights

The summarised financial results of the Company for the year ended March 31, 2021 are presented below:

₹ Crore

	Year ended March 31, 2021	Year ended March 31, 2020
Sales and other income	**6,688.20**	6,676.61
Profit/(Loss) before depreciation, interest and tax	**195.57**	408.89
Depreciation and amortisation	**215.16**	215.87
Profit/(Loss) after depreciation but before interest and tax	**(19.59)**	193.02
Finance costs (Net)	**263.09**	300.75
Profit/(Loss) before tax	**(282.68)**	(107.73)
Provision for taxation (Net)	**(3.08)**	(2.36)
Profit/(Loss) after tax	**(279.60)**	(105.37)
Opening balance b/f	**(1,205.37)**	(1,099.18)
Disposable surplus after adjustments	**(1,484.97)**	(1,204.55)
Transfer to reserve for molasses storage tank	**0.96**	0.82
Balance carried to balance sheet	**(1,485.93)**	(1,205.37)

On a standalone basis, the Company achieved a turnover (including other income) of ₹ 6,688.20 crore for the year ended March 31, 2021 as compared to ₹6,676.61 crore in the previous year. The loss after tax is ₹ 279.60 crore as compared to the loss of ₹ 105.37 crore in the previous year. On a consolidated basis, the turnover including other income is ₹ 6,688.56 crore as compared to ₹ 6,681.32 crore in the previous year. The loss after tax and minority interest is ₹290.82 crore as against loss of ₹ 49.99 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.

Detailed analysis of operations of the Company are given in the Management discussion and analysis report under financial analysis of Operations of the Company.

Sugar

During the year ended March 31, 2021, the Company crushed 15.603 MMT of sugarcane as against 15.845 MMT in the previous year. This year, sugar recovery was 11.06% as against 11.65% in the previous year. During the year 2020-21 the Company has diverted 3.915 MMT (25.09 %) sugarcane for producing B-heavy molasses owing to which sugar recovery was lower. Had there been no diversion sugar recovery for the year would have been 11.47 % as compared to 11.65 % in previous year. During the year, the Company produced 17,25,981 MT sugar (previous year 18,45,270 MT) and 5,32,403 MT C - molasses (previous year 7,12,011 MT) and 2,51,560 MT B-heavy molasses (previous year Nil).

The Company sold 18,52,660 MT of sugar and 4,23,397 MT of molasses during the year as against 18,70,362 MT of sugar and 4,65,568 MT of molasses during the previous year. Approximately 64,256 MT of sugar production is estimated to have been sacrificed in favor of ethanol production through B-heavy molasses.

Distillery

The Industrial Alcohol / Ethanol production was 90,903 KL as against 57,221 KL in the previous year. Alcohol / Ethanol sale during the year was at 84,262 KL as against 62,174 KL during the previous year.

The Company's endeavour to produce ethanol from B-heavy molasses route by diverting cane for the same. The Company produced 29,335 KL of Ethanol out of B-heavy molasses during the year.

Ethanol sales during the year produced from B-heavy molasses stood at 24,970 KL at an average realization of ₹ 57,593 per KL. Ethanol sales from molasses produced from C-heavy route stood at 59,292 KL at an average realization of ₹ 42,702 per KL as compared to 62,174 KL at an average realization of ₹ 41,641 per KL in previous year. Ethanol sales from molasses produced from C-heavy route was lower in the current year as the Company chose to produce and sale Ethanol produced from B-heavy molasses route. Blended realisation for total industrial alcohol (including ENA) sales stood at ₹ 47,115 per KL as compared to ₹ 41,641 per KL in 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 751.43 Million Units (MUs) as against 780.52 MUs in the previous year. The Company exported 186.66 MUs of power as against 217.94 MUs during the previous year.

Impact of Covid-19

The outbreak of deadly Covid-19 virus and the ensuing lockdown imposed across the country affected the business operation. However, Indian sugar industry was permitted to crush cane on the grounds that sugar was categorized as an essential commodity. For the Company the focus immediately shifted to ensuring the health and well-being of all employees.

India is currently experiencing a massive second wave of Covid 19 infections. However, we expect no major changes in the economic activity as the nation is preparing to face the pandemic with vaccines and preparedness.

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, 2021, 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 BH(S)PL).
5. PT. Jangkar Prima, Indonesia – (step down subsidiary being 99.88% subsidiary of BH(S)PL).

Associate:

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

Performance and financial positions of subsidiaries and associates

a) Bajaj Aviation Private Limited: During the year ended March 31, 2021, Bajaj Aviation Private Limited 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 1,980 MW (3x660 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

Mr. Amir Singh Yadav, (DIN: 08481111) Nominee director of the Company will retire by rotation and being eligible offers himself for reappointment.

Appointment of Mr. Amir Singh Yadav is in compliance with the provisions of Section 164(2) of the Companies Act, 2013.

Cessation of Director

Mr. Vipulkumar S Modi (DIN: 06985276), Independent Director of the Company ceased as a director of the Company with effect from January 06, 2021. The Board placed on record its appreciation for the valuable services rendered by the aforesaid directors.

Appointment of Directors and Key Managerial Personnel

Mr. Vinod C Sampat (DIN: 09024617) was appointed as Independent Director of the Company with effect from January 21, 2021. The profile of Mr. Vinod C Sampat is given in the Corporate Governance Report.

Mr. Pradeep Parakh, Group President (GRC) and Company Secretary ceased as Company Secretary of the Company with effect from May 05, 2020.

Mr. Kausik Adhikari, was appointed as the Company Secretary of the Company with effect from May 06, 2020. Mr. Adhikari is working with the Company since 2010 and is a qualified Company Secretary and Masters in Commerce. He has more than 15 years of experience in Corporate Secretarial functions. Mr. Adhikari has worked extensively in the areas like Corporate Governance, Compliances and Mergers & Acquisitions. Prior to joining Bajaj Hindusthan, Mr. Adhikari has worked with organisations like The Pratappur Sugar and Industries Limited and Reliance Industries Limited.

Re-appointment of Managing Director

Mr. Ashok Kumar Gupta (DIN: 02608184), Managing director was re-appointed as Managing Director of the Company at the 88th Annual General Meeting for a period of Five (5) years with effect from April 15, 2021 upto April 14, 2026.

Board evaluation

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 of the Securities and Exchange Board of India (SEBI) (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 (SEBI) (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 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

M/s R. S. Dani & Co., Chartered Accountants (Firm Registration No. 000243C) was appointed as Statutory Auditors of the Company at the 88th Annual General Meeting of the Company, in place of retiring auditors M/s. Chaturvedi & Shah LLP, Chartered Accountants (Firm Registration No. 101720W/W100355), to hold office from the conclusion of the 88th Annual General Meeting (AGM) until the conclusion of the 93rd AGM of the Company."

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 3rd para 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 para no. 4 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.

The Company has also taken steps and exploring the possibilities of monetising its non-core assets like investments in Lalitpur Power Generation Company. Operational performance of the Company is getting better year on year and matching with the industry.

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

3. **Comments to para 5. a) 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 para 5. b) of the Audit report regarding Emphasis of Matter**

   So far there has not been any material impact of the pandemic and resultant lockdown on the performance of the Company. During lockdown, the operations of sugar mill were classified as essential activities and were kept out of lockdown. Hence, the Company finished its sugarcane crushing season 2019-20 as a normal, like any other earlier seasons. As per the assessment made, the management is of the view that the Company will not be impacted adversely. Now the Government is relaxing the lockdown in phased manner, consequently the commercial activities are returning to normal.

5. **Comments on Key audit matters 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.

6. **Comments on Key audit matters of the Audit report regarding physical verification of inventory**

   Due to outbreak of pandemic COVID-19 and resultant national lockdown, the auditors could not visit the plants for physical verification of closing inventory. But the management facilitated the auditors with all the practical options like video conferencing with the plants and providing live view of the Godowns and storages, sharing all the official documents like manufacturing/despatch reports, various returns which are submitted to tax and other authorities, back tracing method etc. and provided all the alternative methods to develop a reasonable comfort on the point as per the guidelines laid by the Institute of Chartered Accountants of India.

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 "IX" and "X" 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 2021-22 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, 2020 for the products Sugar, Industrial Alcohol and Electricity was filed with the Ministry of Corporate Affairs on November 29, 2020.

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 (SEBI) (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

Copy of the Annual Return as per Section 92(3) of the Companies Act, 2013 is placed on the website of the company at www.bajajhindusthan.com

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 at its meeting held on September 25, 2014 approved the CSR Policy of the Company. Report on CSR Activities/Initiatives is enclosed as "Annexure VI" and forms part of this report.

Policies

Policy for determining material subsidiary

During the year ended March 31, 2021, the Company does not have any material listed/unlisted subsidiary companies as defined in Regulation 16 (c) of Securities and Exchange Board of India (SEBI) (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 (SEBI) (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 models which help in identifying risks 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 VI" 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 VII" 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 VIII" 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 (SEBI) (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

Sd/-
Kushagra Bajaj
Chairman
(DIN: 00017575)

Mumbai,
June 08, 2021

Changes after the date of Directors' Report

Appointment and cessation of Directors and Key Managerial personnel

Due to health reasons, Mr. Ashok Kumar Gupta resigned from the post of Managing Director with effect from June 30, 2021. Pursuant to recommendation of Nomination and Remuneration committee, the board of directors appointed Mr. Veer Pal Singh and Mr. Alok Kumar Vaish as Executive Director and Managing Director of the Company with effect from July 02, 2021 and August 13, 2021 respectively.

Mr. Veer Pal Singh has resigned from the position of Executive Director with effect from August 12, 2021. Pursuant to elevation of Mr. Alok Kumar Vaish as Managing Director, he ceased to be the Chief Financial Officer of the Company with effect from August 12, 2021. Mr. Sunil Kumar Ojha was appointed as Chief Financial Officer of the Company with effect from August 14, 2021.

Change in Capital Structure

Pursuant to the approval of the shareholders of the Company at the Extraordinary General Meeting held on July 15,2021,the Board of Directors at its meeting held on July 20, 2021 has allotted 14,38,00,000 equity shares at a price of Rs.13.28 per share (including Rs.12.28 premium) to promoter/promoters group entity on conversion of loan.

For and on behalf of the Board of Directors

Sd/-
Kushagra Bajaj
Chairman
(DIN: 00017575)

Mumbai,
August 13, 2021

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 crystallization 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 pay-out 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 earning

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, 2021

(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
Golagokaranath,
Lakhimpur Kheri - 262 802
Uttar Pradesh, 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 31st March, 2021 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 31st March, 2021, according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 (FEMA) and the Rules and Regulations made thereunder, to the extent applicable to Foreign Direct Investment and Overseas Direct Investment.

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, 2018;

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

viii. U.P. Sugarcane {Regulation of Supply and Purchase} Act, 1953

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/shorter notice of time less than seven days for items of business which were in the nature of 'unpublished price sensitive information' 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 Company via postal ballot dated 30th June, 2020 have passed a special resolution authorizing the Board of Directors of the Company to provide security by extending pledge over 1,32,57,025 (One Crore Thirty Two Lakhs Fifty Seven Thousand and Twenty Five) fully paid up Equity Shares of ₹10/- (Rupees Ten Only) each of Lalitpur Power Generation Company Limited ("LPGCL") presently being 14.53%, held by the Company, out of 76% of fully paid up equity shares of LPGCL, as part of a joint obligation for all the existing shareholders of LPGCL to secure working capital loans for an Adhoc limit of ₹ 269.70 crore to be availed by LPGCL in accordance with the provisions of Sections 180(1)(a), 185, 186, 188 and other applicable provisions of the Companies Act, 2013, read with the Companies (Meetings of Board and its Powers) Rules, 2014, Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

FOR ANANT B KHAMANKAR & CO.
COMPANY SECRETARIES

Sd/-

(ANDNANT B. KHAMANKAR)
PROPRIETOR
FCS No. – 3198
CP No. – 1860
UDIN: F003198B000394314

DATE : June 08, 2021
PLACE : Mumbai

ANNEXURE III

ANNUAL SECRETARIAL COMPLIANCE REPORT OF BAJAJ HINDUSTHAN SUGAR LIMITED FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021

To,
The Members,
BAJAJ HINDUSTHAN SUGAR LIMITED
Golagokarannath,
Lakhimpur Kheri - 262 802
Uttar Pradesh, 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 fillings/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 31st March, 2021 ("Review Period") in respect of compliance with the provisions of:

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

ii) 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;

(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 listed entity for the period under review)

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

(f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (not applicable to the listed entity 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 listed entity 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 insofar 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: **Applicable**

Sr. No.	Observations of the Practicing Company Secretary in previous report	Observations made in the secretarial compliance report for the year ended 31.03.2020	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
1	There was a delay of Two (2) days in informing to the National Stock Exchange of India Limited (NSE) regarding resignation letter received, from Mr. Rajeeva (DIN: 081287961) from the post of Nominee Director. The letter was received by the listed entity on April 22, 2019 and intimation to NSE was given on April 25, 2019. NSE vide letter Ref.: NSE/LIST/167261 dated May 2, 2019 directed the listed entity to take abundant precautions in future with respect to the stated matter and make timely intimations to the Exchange as required under Regulation 30 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.		The listed entity has ensured to take necessary precaution to avoid recurrence of such delays in future. It further clarified that the said disclosure was submitted to BSE on April 24, 2019, however due to non availability of NEAPS online platform on April 24, 2019 the said information was submitted to NSE on April 25, 2019.	The Listed entity had submitted the said disclosure to BSE on April 24, 2019. However, the delay of two days in informing NSE was due to non availability of NEAPS online platform on April 24, 2019 and therefore the information was submitted to NSE on April 25, 2019. The Board of Directors of the listed entity has taken note of same and directed the management to take requisite measures as to avoid such delay in future.

FOR ANANT B KHAMANKAR & CO.
COMPANY SECRETARIES

Sd/-

(ANANT B. KHAMANKAR)
PROPRIETOR
FCS No. – 3198
CP No. – 1860
UDIN: F003198B000394314

DATE : June 08, 2021
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.	12.72	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., Partly secured, repayable on demand	For business purposes – general corporate purposes
13	Loans given	Ojas Industries Private Ltd.	318.50	Interest @ 12% p.a., secured, repayable on demand	For business purposes – general corporate purposes
14	Securities given	Lalitpur Power Generation Company Ltd.	661.25	Pledge of share	As collateral security with the trustees of consortium of lenders, facilities obtained by LPGCL

For and on behalf of the Board of Directors

Sd/-

Kushagra Bajaj
Chairman
(DIN: 00017575)

Mumbai
June 08, 2021

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, 2024
	(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 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	01.04.2020 to 05.05.2020
	(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	₹ 2.43 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. Alok Vaish – Key Managerial Personnel
	(b)	Nature of contracts/arrangements/transactions	Remuneration
	(c)	Duration of contracts/arrangements/transactions	01.04.2020 to 31.03.2021
	(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	₹0.75 Crore
	(e)	Date(s) of approval by the Board, if any	27.09.2018
	(f)	Amount paid as advances, if any	-

5	(a)	Name(s) of the related party and nature of relationship	Mr. Kausik Adhikari – Key Managerial Personnel
	(b)	Nature of contracts/arrangements/transactions	Remuneration
	(c)	Duration of contracts/arrangements/transactions	06.05.2021-31.03.2021
	(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	₹0.22 Crore
	(e)	Date(s) of approval by the Board, if any	06.05.2020
	(f)	Amount paid as advances, if any	-

For and on behalf of the Board of Directors

Sd/-
Kushagra Bajaj
Chairman
(DIN: 00017575)

Mumbai
June 08, 2021

ANNEXURE VI

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 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. Mr. Ashok Kumar Gupta, Member

Ms. Shalu Bhandari

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 and
Chairman of the CSR Committee
(DIN: 00017575)

Ashok Kumar Gupta

Managing Director
(DIN: 02608184)

Mumbai
June 08, 2021

ANNEXURE VII

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**

Sl. No.	Name of the Directors/ KMP	Designation	Remuneration of Directors/ KMP for the year 2020-2021 (Amount in ₹)	% Increase in Remuneration in the year 2020-2021	Ratio of Remuneration of each Director to median remuneration of employee
1	Mr. Kushagra Bajaj	Chairman (Non-Executive)	60,000	*	Not Applicable
2	Mr. Ashok Kumar Gupta	Managing Director	1,42,79,759	13.63%	45.47
3	Mr. D. K. Shukla	Director	4,80,000	**	1.53
4	Mr. Vipulkumar S Modi (upto 06.01.2021)	Director	3,00,000	**	0.96
5	Ms. Shalu Bhandari	Director	4,60,000	**	1.46
6	Mr. Ashok Mukand	Nominee Director	2,80,000	**	0.89
7	Mr. Amir Singh Yadav	Nominee Director	-	***	Not applicable
8	Mr. Atul Hasmukhrai Mehta	Director	2,90,000	****	0.92
9	Vinod C. Sampat (W.e.f. 21.01.2021)	Director	50,000	*****	0.16
10	Mr. Alok Kumar Vaish	Chief Financial Officer	74,83,686	15,76%	Not Applicable
11	Mr. Pradeep Parakh (upto 05.05.2020)	Group President (GRC) & Company Secretary	2,43,01,878	******	Not applicable
12	Mr. Kausik Adhikari (w.e.f. 06.05.2020)	Company Secretary	22,44,732	******	Not applicable

* Mr Kushagra Bajaj was CMD up to 13.08.2019 hence remuneration paid is not comparable

** Sitting fees paid to the non-executive director during the year was less than the sitting fees paid in the last financial year.

***No sitting fee paid during this year hence not comparable

**** Mr Atul Hasmukhrai Mehta was appointed director wef 01.01.2020 hence not comparable with last year.

***** Appointed as director this year only, hence comparable figures are not available.

******Mr Pradeep Parakh remuneration includes ₹1.09 crore gratuity and other seperation benefits.

*******Mr Kausik Adhikari appointed as company secretary wef 06.05.2020.

The median remuneration of employees of the Company during the year was ₹ 3,14,051.

2. **The increase in the median remuneration of employees in the financial year was 10%**

3. **There were 7,621 permanent employees on the rolls of the Company as at March 31, 2021.**

   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 of the employee of the Company other than managerial personnel is 9.82%. Increase in remuneration of managerial personnel is 12.00%. The increase in remuneration of employees other than the managerial personnel is in line with the increase in remuneration of managerial personnel.

4. 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)	Experi-ence (No. of years)	Date of com-mencement of employ- ment	Last employment
1	Mr. Pradeep Parakh	Group President (GRC) & Company Secretary (from 01.04.2020 to 05.05.2020)	2,43,01,878	B.Com (Hons), FCA, FCS	54	29	07.03.2001	Dy. Company Secretary, Gujarat Ambuja Cement Ltd.
2	Mr. Akash Sharma	Vice President (Finance & Accounts)	1,66,05,807	B.Com, LLB & FCA	56	29	22.03.2006	Jaiprakash Associates Ltd.
3	Mr. Ashok Kumar Gupta	Managing Director	1,42,79,759	M.Com	70	49	31.05.1982	Upper Doab Sugar Mills Ltd.
4	Ms. Swati Bhattacharya	Chief Communications & Brand Officer	1,42,73,730	B.A. English (Hons), Diploma in Journalism	49	26	14.05.2019	C K Birla Corporate Services Ltd.
5	Mr. Vikas Lahoti	Head - Group Corporate Taxation	1,20,40,540	B.Com, CA, MBA	64	36	22.04.2013	Etisalat DB Telecom (P) Ltd.
6	Mr. Naval Kishore Kashyap	Sr. Vice President (Indirect Taxation)	1,02,10,314	B.Com, Diploma (Excise & Cust.)	62	39	01.11.2011	Carbery Infrastructure Pte. Ltd.
7	Mr. Adhish Goray	Project Head	83,00,160	G.D. Arch., M. Arts	48	25	15.02.2013	Pancard Clubs Limited
8	Mr. Alok Kumar Vaish	Chief Financial Officer	74,83,656	B.Com, C.A.	54	29	26.03.2004	Oswal Chemicals & Fertilizers Limited
9	Mr. Sanjay Kumar Goyal	Vice President (F&A)	69,05,106	B.Com, C.A.	53	29	20.09.2018	Shree Renuka Sugars Ltd.
10	Mr. Rajendra Mishra	Assistant Vice President (F&A)	55,81,611	B. Com.	57	36	26.11.2001	Recron Synthetics Limited

B. Details of Employees employed throughout the financial year who were in receipt of remuneration for that year which, in aggregate, was not less than ₹ 1.02 crore are given in Sr. nos. 2 to 6 of the table above.

C. Employees employed for a part of the financial year and who were in receipt of the remuneration during for that financial year at a rate not less than ₹ 8,50,000 per month is given in Sr. No. 1 of the table above. The remuneration in sr. no 1 includes amount of gratuity of ₹1.09 crore and other sepeation benefits.

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 2% 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. Sr. No 1, Mr Pradeep Prarakh was in employment up to 05.05.2020, and the remuneration includes amount of gratuity of ₹1.09 crore and other seperation benefits.
3. None of the aforesaid employees is relative of any director or manager.

For and on behalf of the Board of Directors

Sd/-

Kushagra Bajaj
Chairman
(DIN: 00017575)

Mumbai
June 08, 2021

ANNEXURE VIII

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. Recovery of waste heat from Pan Hot Water Condensate by using Direct Contact Heater for BH Molasses conditioning.
2. Synchronization of 3MW TG set with 10MW &12 MW done. Now there is no need of power supply change over at mills and Injection station thereby elimination of down time during crushing.
3. Exhaust washing replaced by Q1 Vapour for Pan washing, cut over line heating & Molasses conditioning of AH & C1H Molasses.
4. Recovery of waste heat from the Clarifier Flash Tank by heating of Filtrate Juice through DCH.
5. Reduction in use of High Pressure Steam for Process.
6. Recovery of heat from Semi Kestner and Falling Film Evaporator by providing Flash Connection from Condensate Bottles to successive Vapour Pipes.
7. Use of Molasses Coolers to cool down Molasses before Storage.
8. Soda boiling in Evaporator Bodies by Exhaust Steam instead of Live Steam.
9. Use of blow down Flash Steam for heating of makeup water installed in 1x80 TPH Boiler.
10. Replaced incandescent lamps by compact fluorescent lamps in Administration Block & Office
11. Cooling Tower installed for excess Hot Water cooling under Water Management program.
12. Carbon & Sand Filer installed for effluent treatment.
13. Under Water Management program to reduce the bore well water consumption, Cooling Tower is installed to cool the recycle water.
14. Replacement of the nickel screen 0.05 mm to 0.06 mm which ultimately resulting better purgibility, saving of power, reduction of nickel screen consumption, increase of machine capacity and obtaining better quality of sugar.
15. By hot water application the mills recovered sugar from tanks, crystallizer and various area, ultimately converted to bagging sugar.
16. Increased the height of Head on cutter by 50 mm resulting reduce the power consumption by 20%.
17. Massecuite & magma delivery pipe line relocate from vertical (90° to 45°) resulting Zero leakages from gland, Reduction of power, Reduction of maintenance cost.
18. To save extra bagasse we have increased pressure & temperature of deaerator (Maintain 110°C) resulting more bagasse saving.
19. Additional SO2 gas cooler installed successfully to reduce gas temperature to improve recovery of cane percentage.
20. ID fans of boilers were got hard faced by special electrodes to reduce wear and tears resulting in power saving.
21. Old system of cane unloader is upgraded with hydraulic system improved the overall performance of the equipment.
22. One single air cooled Air compressor is installed against three water cooled air compressor (Old), saved power and reduce the use of water in process .
23. Automation of cane rake elevator, cane carrier and auxiliary cane carrier drive with Variable Frequency.
24. Installation of Brine Recovery system and Rinse Water recovery system to recover salt and water i.e. to reduce effluent load.
25. Installation of Ammonia Stripper plant to extract ammonia from MEE condensate water and treated through CPU and re-used in the cooling towers as make-up water and also re-used in the process water resulting reduction in Fresh bore well. The plant is working satisfactory.

26. 100% utilization of Lagoon was ensured to maintain the single point discharge under zero liquid discharge from plant. Treated water were used in horticulture premises, ferti irrigation to nearby farmers, water spraying of cane yard, Makeup water for Injection Channel.

27. Exhaust steam used during Soda boiling in Evaporator, condensate going to drain has been collected & used.

28. Sealing water of Vacuum Pump and cooling water of air compressors reused to reduce water consumption through Armec Cooling tower.

29. Installation of centralized lubrication system for mill roller bearings to reduce lubricant consumption.

30. 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.

31. Modification in Anvil plate for pocket side. Anvil plate degrees reduced and also reduced pocket size for better preparation and avoid overloading at drive. Now successfully operating & also resulted reduction in power consumption.

32. Operation of complete electrical system at 3-4% lower voltage to save extra energy and smooth operation of equipment.

33. As per new UPERC Regulation 2019 the peak hour Import shall be adjusted from banked energy so our Purchased electricity is nil for this year.

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

1 Installation of Bio gas plant.

(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, 2021 were accelerated as under:

1. Emphasis on Integrated Nutrient Management (I.N.M.) in order to minimise the use of chemical fertilizers in sugarcane and promote organic manuring.

2. Spray of GRH (Growth Regulating Hormones) for tillering in ratoon crop.

3. Cane seed nurseries are maintained in the field.

4. Utilization of Filtrate / Melt / Syrup Clarification

5. Installation of efficient lime classifier

6. Installation of F.T.S.B. (Film Type Syrup Burner)

7. Red rot disease is reported in Co 0238 variety from few pockets of cane area and to combat the menace of disease soil as well as sets treatment has been recommended to farmers and for this Ankush/Sanjivni (Trichoderma sp) & Carbendazim, Thio phynate methyl chemicals were distributed among concerned farmers on subsidy 20%.

8. Arrangement to collect rainwater near Sugar godown.

9. Construction of common collection pit with pumps to send the plant effluent to the Effluent Treatment Plant (ETP) through underground HDPE lines with proper automation on its level.

10. Electronic Weighbridges were introduced in the year 2012-2013 and they are running successfully at out centres for cane weighment.

11. Installation of 100 Cu. M/Hr. capacity Cooling Tower to cool & reuse the surplus Condensate Water in place of raw water.

12. Use of surplus hot water in wet scrubber.

13. Lotus type top roller of 1st Mill with semi couch roller has replaced.

14. Installation of Pizo-meter to check the ground water level.

15. Installation of new cyclone type grit and silica removal system at lime station.

16. Lime flow meter started and stabilized.

17. Cooling tower efficiency enhanced by reducing injection pump operation.

18. Modification in juice sulphitor.
19. Evaporator calandria cleaning.
20. Screw pump installed at C1 magma in place of Rota pump.
21. Degassing and filtration system of sulphited syrup at syrup tank.

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

1. 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.
2. GRH spray induced high tellering in ratoon crop thus increasing the yield.
3. Good quality cane seed will be available through cane nurseries.
4. Reduction of sulphur consumption & improvement of quality and recovery of sugar
5. To reduce oil consumption, leakage of juice to oil and pollution hazards
6. Reduction of lime consumption.
7. Control measures implemented for control of red rot disease in sugarcane will result normal sugarcane growth and development in time to come.
8. Reduced the use of ground water and same time it reduces the generation of effluent.
9. Excellent improvement was observed in the performance of ETP due to controlled feed and less sludge formation.
10. Electronic Weighbridges have reduced paper work and helped in increasing the accuracy of cane weighment.
11. Surplus hot water condensate cooled and reused in maceration & co-gen cooling tower.
12. Consumption of cold water reduced.
13. Primary juice extraction has been increased by two units.
14. Ground water level is being monitored on daily basis.
15. Reduce scaling in Evaporator and run days of evaporator increased by two days.
16. Improvement in clarification efficiency and for getting better transmittency of clear juice.
17. Power saving 150 Kw per hour.
18. Sugar quality improved.
19. Increased heating efficiency.
20. To avoid the wear and tear.
21. To avoid corrosion impact and control the injection water Ph and also reducing scales in Pans.

(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, 2021 (₹ Crore)**	Year ended March 31, 2020 (₹ 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, 2021 (₹ Crore)	Year ended March 31, 2020 (₹ Crore)
Foreign exchange earned in terms of actual inflows	**22.43**	15.30
Foreign exchange outgo in terms of actual outflows	**0.08**	0.03

For and on behalf of the Board of Directors

Sd/-

Kushagra Bajaj
Chairman
(DIN: 00017575)

Mumbai
June 08, 2021

ANNEXURE IX

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, 2021

[Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]

₹ Crore

I.

Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
1	Turnover / Total income	6,688.20	6,688.20
2	Total Expenditure	6,970.88	7,431.98
3	Net Profit/(Loss)	(279.60)	(740.70)
4	Earnings Per Share	(2.54)	(6.73)
5	Total Assets	13,679.07	13,679.07
6	Total Liabilities	10,738.16	12,128.28
7	Net Worth	2,940.91	1,550.79
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 : ₹ 1,390.12 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, 2021 amounting to ₹ 113.70 crore and ₹461.10 crore respectively. The aggregate liability for such YTM from the date of allotment of OCDs till the year ended March 31, 2021 is ₹1390.12 crore. Had such interest been provided, the reported profit/ (loss) for the quarter and year ended March 31, 2021 would have been ₹ 6.10 crore and (₹ 740.70) crore respectively and net worth of the Company would have been ₹1550.79 crore.

b. Type of Audit Qualification : Qualified Opinion

c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing : Continuing Since March 31, 2019.

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 the Optionally Convertible Debentures (OCDs) shall carry a Yield to Maturity (YTM) at a yield rate on the principal amount, accruing on annual basis, starting from the allotment date. The redemption will start from the Financial year 2024-25.

In addition to the clause of MFA quoted above, it will be pertinent to note that another clause stated that upon occurrence of an Event of Default, the Debenture Trustee/ Monitoring Institution can issue a Conversion Notice for conversion of all of its outstanding OCDs into the equity shares of the Company. This clause contemplates conversions of all outstanding OCDs. The expression outstanding OCDs is not a defined expression unlike other expressions in the MFA.

Thus MFA provides that upon occurrence of an Event of Default, the Debenture Trustee/Monitoring Institution may instruct the conversion of outstanding OCDs into equity shares. Since the expression used is 'outstanding' and not "Outstanding Amount – OCDs", it can be construed that the conversion of OCDs will cover only the outstanding face value of the OCDs and will not include YTM.

Having considered the clauses referred above, Clause regarding conversion does not suggest or indicate that the amount of YTM is required to be added to the Principal Amount of the OCDs for conversion of the OCDs into the equity shares of the Company at the time of the conversion. 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 Sl 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 Sl II (a) Above

III. Signatories:

Ashok Kumar Gupta
Managing Director

Alok Kumar Vaish
Chief Financial Officer

DK Shukla
Audit Committee Chairman

C P Kothari
Statutory Auditor

Mumbai
June 08, 2021

ANNEXURE X

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, 2021

[Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]

₹ Crore

I.

Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
1	Turnover / Total income	6,688.56	6,688.56
2	Total Expenditure	6,982.27	7,443.37
3	Net Profit/(Loss)	(290.82)	(751.92)
4	Earnings Per Share	(2.64)	(6.83)
5	Total Assets	13,135.76	13,135.76
6	Total Liabilities	10,763.54	12,153.66
7	Net Worth	2,372.22	982.10
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 : ₹ 1,390.12 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, 2021 amounting to ₹ 113.70 crore and ₹461.10 crore respectively. The aggregate liability for such YTM from the date of allotment of OCDs till the year ended March 31, 2021 is ₹1390.12 crore. Had such interest been provided, the reported profit/ (loss) for the quarter and year ended March 31, 2021 would have been ₹ (1.22) crore and (₹ 751.92) crore respectively and net worth of the Company would have been ₹ 982.10 crore.

b. Type of Audit Qualification : Qualified Opinion

c. Frequency of Qualification: Whether appeared first time / repetitive / since how long continuing: Continuing Since March 31, 2019.

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 the OptionallyConvertible Debentures (OCDs) shall carry a Yield to Maturity (YTM)at a yield rate on the principal amount, accruing on annual basis, starting from the allotment date. The redemption will start from the Financial year 2024-25. In addition to the clause of the MFA quoted above, it will be pertinent to note that another clause stated that upon occurrence of an Event of Default, the Debenture Trustee/Monitoring Institution can issue a Conversion Notice for conversion of all of its outstanding OCDs into the equity shares of the Company. This clause contemplates conversions of all outstanding OCDs. The expression outstanding OCDs is not a defined expression unlike other expressions in the MFA.

Thus MFA provides that upon occurrence of an Event of Default, the Debenture Trustee/Monitoring Institution may instruct the conversion of outstanding OCDs into equity shares. Since the expression used is 'outstanding' and not "Outstanding Amount – OCDs", it can be construed that the conversion of OCDs will cover only the outstanding face value of the OCDs and will not include YTM.

Having considered the clauses referred above, Clause regarding conversion does not suggest or indicate that the amount of YTM is required to be added to the Principal Amount of the OCDs for conversion of the OCDs into the equity shares of the Company at the time of the conversion. 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 Sl 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 Sl II (a) above

Signatories:

Ashok Kumar Gupta
Managing Director

Alok Kumar Vaish
Chief Financial Officer

DK Shukla
Audit Committee Chairman

C P Kothari
Statutory Auditor

Mumbai
June 08, 2021

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 Securities and Exchange Board of India ("SEBI") has introduced a Code of Corporate Governance for a listed company, which is implemented through the Listing Regulations. Corporate Governance is a set of systems and practices to ensure that the affairs of a Company are being managed in a manner which ensures accountability, transparency, and fairness in all its transactions in the widest sense and meet the aspirations and expectations of the stakeholders' and the society as a whole. Corporate Governance refers to the framework of rules and practices by which the Company ensures ethical and integral relation with all its stakeholders. Corporate Governance necessitates professionals to raise their competency and capability levels and upgrade systems and processes to meet the expectations in managing the enterprise and its resources effectively with the highest standards of ethics.

Bajaj Hindusthan is a part of Bajaj Group which has an established reputation of honesty, integrity and sound governance since inception. Your Company is, therefore, committed to maintaining the highest standards of Corporate Governance in its conduct towards Shareholders, employees, regulators, customers, suppliers, lenders and other stakeholders. The Company strongly believes that good Corporate Governance and fairness in actions, words and deeds will form the base of the Company's Corporate Governance philosophy. At Bajaj Hindusthan we believe that Corporate Governance is a pre-requisite for meeting the needs and aspirations of the stakeholders. Corporate Governance is a journey which leads to corporate growth and long-term gain in shareholders' value.

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 (Non-Executive), DIN: 00017575	Non-Executive, Promoter
Mr. Ashok Kumar Gupta (Managing Director), DIN: 02608184	Executive Director
Mr. D. K. Shukla, DIN: 00025409	Independent, Non-Executive
Mr. Atul Hasmukhrai Mehta, DIN: 00112451	Independent, Non-Executive
Mr. Vipulkumar S. Modi, DIN: 06985276 (upto 06.01.2021)	Independent, Non-Executive
Ms. Shalu Bhandari, DIN: 00012556	Independent, Non-Executive
Mr. Vinod C. Sampat,DIN:09024617 (w.e.f.21.01.2021)	Independent, Non-Executive
Mr. Ashok Mukand, DIN: 00324588	Nominee Director, State Bank of India (Lender)
Mr. Amir Singh Yadav, DIN: 08481111	Nominee Director, Punjab National Bank (Lender)

Profile of Directors

The brief profile of each Director is given below:

Mr. Kushagra Bajaj, Chairman (Non-Executive)

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 twenty 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 to August 13, 2019. In accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding appointment of Non-executive Chairman not related to Managing Director or Chief Executive Officer, Mr. Kushagra Bajaj relinquished the post of Managing Director and re- designated as Chairman (Non-Executive) of the Company from August 14, 2019.

Mr. Ashok Kumar Gupta, Managing Director

Mr. Ashok Kumar Gupta has been a member of our Board of Directors since October 2012. He has experience of more than 50 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. He is a patron Member of The Sugar Technologists' Association of India (STAI). 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. On September 24, 2012, the STAI presented him the "Sardar Gurmit Singh Mann Gold Medal Award" – Professional of the Year Award-2011. In 2019, Mr. Gupta has been awarded the most prestigious "Lifetime Achievement Award" by STAI for his outstanding contribution and better management of Cane Development. He became the Managing Director with effect from August 14, 2019.

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 Bachelor's Degree in Arts and a Master's 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, Chairman of Nomination & Remuneration Committee and Chairman of Stakeholders Relationship Committee.

Mr. Atul Hasmukhrai Mehta, Independent, Non-Executive

Mr. Atul H. Mehta has been a member of our Board of Directors since January 01, 2020. He has a Corporate Law Advisor, B.Com, B.G.L. and FCS, is practicing Company Secretary and promoter of Mehta & Mehta Company Secretaries, Mehta & Mehta Advisory Services Private Limited & Mangalam Placement Private Limited. Mr. Mehta comes with an experience of over 26 years in the field of Corporate Law, Capital Market and Human Resource. He has served the industry as a Company Secretary and Compliance Head for 5 years soon after which he took his pioneering step towards consulting and practicing as a Company Secretary full time. He has also served as secretary of International Association of Company Secretaries which comprises 42 countries as members. He has also shepherded Institute of Company Secretaries of India as President in year 2015-16. He was past Chairman of Western India Regional Council (WIRC) of Institute of Company Secretaries of India (ICSI) in 2009. He was also on the board of various other companies as Independent Director. He has also been elected as Secretary of CISA at Global Level. He was also a part of MCA Committee. He was member of RBI Restructuring Committee. He was also a member of Company Law Committee (6 members), Ministry of Corporate Affairs 2015. He is a member in IOD (Institute of Directors).

Mr. Vipulkumar S. Modi, Independent, Non-Executive (upto 06.01.2021)

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 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. Vinod C. Sampat, Independent, Non-Executive (w.e.f. 21.01.2021)

Mr. Vinod C. Sampat (B. Com (Hons.), LL.B.), an Advocate is a wizard in the field of property related laws. He started his career 30 years back as an individual practicing lawyer and has been a litigation lawyer since then. Currently he is the proprietor of Sampat's Law Firm. He is also fondly also known as a property "pundit". He advises corporates and many multi-nationals, media houses, co-operative housing societies, eminent personalities of television and films in matters related to property. His expertise lies in co-operative housing societies, self-redevelopment, RERA, consumer protection act, car parking, transfer of flats, recovery of dues etc. He has authored more than 100 books on Co-operative Societies, Transfer of Flat, Recovery of Dues, Registration and Stamp Duty, Car Parking, RERA etc. He has a team of specialists in the fields of Information Technology Laws, Negotiable Instruments Act, Criminal Law, Matrimonial Laws etc.

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. Amir Singh Yadav, Nominee Director

Mr. Amir Singh Yadav has been appointed as Director, nominated by Punjab National Bank, since June 2019. Mr. Amir

Singh Yadav is a professional banker having 35 years of experience. He is presently designated as Circle Head, Punjab National Bank, Noida. He holds the degree of M.Com and Certified Associate of Indian Institute of Bankers (CAIIB).

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 2020-2021, the Board of Directors met seven times on May 06, 2020, May 29, 2020, June 29, 2020, August 08, 2020, August 18, 2020, November 12, 2020 and February 11, 2021. The gap between any two meetings has been less than four months.

All 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 29, 2020
Mr. Kushagra Bajaj Chairman (Non Executive) DIN: 00017575	07/01	No
Mr. Ashok Kumar Gupta, Managing Director (Executive) DIN: 02608184	07/07	Yes
Mr. D. K. Shukla, DIN: 00025409	07/07	Yes
Mr. Atul Hasmukhrai Mehta DIN: 00112451	07/07	No
Mr. Vipulkumar S. Modi, DIN: 06985276 (upto 06.01.2021)	06/06	No
Ms. Shalu Bhandari, DIN: 00012556	07/07	Yes
Mr. Ashok Mukand, DIN: 00324588	07/07	Yes
Mr. Amir Singh Yadav DIN: 08481111	07/01	No
Mr. Vinod C. Sampat DIN:09024617 (w.e.f. 21.01.2021)	01/01	NA

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 2020-2021 was held on November 11, 2020 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 it's 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, 2021

Name	Directorship in all other companies	Committee Membership			Committee Chairmanship		
		In Listed Public Companies	In Public Companies Unlisted	Total	In Listed Public Companies	In Public Companies Unlisted	Total
Mr. Kushagra Bajaj	3	2	Nil	2	Nil	Nil	Nil
Mr. Ashok Kumar Gupta	Nil	1	Nil	1	Nil	Nil	Nil
Mr. D. K. Shukla	2	2	2	4	2	2	4
Mr. Atul Hasmukhrai Mehta	8	Nil	Nil	Nil	Nil	Nil	Nil
Mr. Vipulkumar S. Modi (upto 06.01.2021)	Nil	1	Nil	1	Nil	Nil	Nil
Ms. Shalu Bhandari	3	2	3	5	Nil	Nil	Nil
Mr. Ashok Mukand	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Mr. Amir Singh Yadav	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Mr. Vinod C. Sampat (w.e.f.21.01.2021)	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, 2021

Name	Name of listed companies	Category of directorship
Mr. Kushagra Bajaj	Bajaj Consumer Care Limited	Non-Executive – Non Independent

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, 2021
Mr. Kushagra Bajaj	12897036

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 program including the presentation from the Chairman/the Managing Director/Company Secretary 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 the irrational, Litigation update, various Policies and Standard Operating Procedures of the Company, Entity Level Risk, Risk Mitigation Plans, etc.

The details of such familiarization programs 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.	

Skill Area	Description	Skill/expertise/ competence available with the Board
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
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:	Yes
	• Understanding and fulfilling the duties and responsibilities of a Director, and maintaining knowledge in this regard through professional development;	
	• 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:	Yes
	• Listen to, and constructively and appropriately debate, other people's viewpoints;	
	• 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

Skill Area	Description	Skill/expertise/ competence available with the Board
Commitment	A visible commitment to the purpose for which the Company has been established and operates, and its ongoing 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 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, 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) Ms. Shalu Bhandari (Independent, Non-Executive) Mr. Ashok Kumar Gupta, Managing Director
Nomination and Remuneration Committee	Mr. D. K. Shukla, Chairman* (Independent, Non-Executive) Ms. Shalu Bhandari (Independent, Non-Executive) Mr. Vipul Kumar S. Modi (Independent, Non-Executive) (upto 06/01/2021) Mr. Atul Hasmukhrai Mehta (Independent, Non-Executive) (w.e.f.21/01/2021)
Stakeholders Relationship Committee	Mr. Kushagra Bajaj (Chairman – Non-Executive) Mr. Vipulkumar S. Modi (Independent, Non-Executive) (upto 06/01/2021) Mr. D.K. Shukla, Chairman* (Independent, Non-Executive) Ms. Shalu Bhandari (Independent Director, Non-Executive) (w.e.f.21/01/2021)

Committee	Members (Category)
Corporate Social Responsibility Committee	Mr. Kushagra Bajaj, Chairman* (Chairman – Non-Executive) Mr. Ashok Kumar Gupta, Managing Director Ms. Shalu Bhandari (Independent Director, Non-Executive)
Risk Management Committee	Mr. Kushagra Bajaj, Chairman* (Chairman – Non-Executive) Mr. Ashok Kumar Gupta, Managing Director Mr. Vipulkumar S. Modi (Independent, Non-Executive) (upto 06.01.2021) Mr. Vinod C. Sampat (Independent , Non-Executive) (w.e.f. 21/01/2021) Mr. Alok Kumar Vaish, Chief Financial Officer Mr. Kausik Adhikari , Company Secretary (w.e.f. 21.01.2021)

* 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 focused 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, 2021, the Audit Committee met seven times on April 30, 2020, May 29, 2020, June 29, 2020, August 08, 2020, August 18, 2020, November 12, 2020 and February 11, 2021. The gap between any two meetings has been less than four months. All the seven 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 2020-2021

Name of Committee Members	Category	Audit Committee Meetings held / attended
Mr. D. K. Shukla, Chairman*	Independent, Non-Executive	07/07
Ms. Shalu Bhandari	Independent, Non-Executive	07/07
Mr. Ashok Kumar Gupta	Managing Director	07/07

*Chairman of the audit committee

Mr. Kushagra Bajaj, Chairman, 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. At present, the Committee is consisting of three non-executive Directors. The composition of the Nomination and Remuneration Committee is given in Table 9.

Meeting and attendance during the year

During the financial year ended March 31, 2021, the Nomination and Remuneration Committee met two times on May 06, 2020 and August 18, 2020. 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, 2021

Name of Committee Members	Category	Nomination and Remuneration Committee Meetings held / attended
Mr. D. K. Shukla, Chairman*	Independent, Non-Executive	02/02
Mr. Vipulkumar S. Modi (upto 06.01.2021)	Independent, Non-Executive	02/02
Ms. Shalu Bhandari	Independent, Non-Executive	02/02
Mr. Atul Hasmukhrai Mehta (w.e.f. 21.01.2021)	Independent, Non-Executive	00/00

* 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, 2021 are provided in Table 10.

Remuneration of Executive Director

The Executive Director –Mr. Ashok Kumar Gupta was 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, 2021

Name of Directors	Salary ₹	Commission	Performance linked incentive	Sitting fees ₹	Total ₹	Notice period
Mr. Kushagra Bajaj, Chairman (Non-Executive)	--	--	--	60,000	60,000	N.A.
Mr. Ashok Kumar Gupta, Managing Director	1,42,79,759	--	--	--	1,42,79,759	N.A.
Mr. D. K. Shukla	--	--	--	4,80,000	4,80,000	N.A.
Mr. Atul Hasmukhrai Mehta	--	--	--	2,90,000	2,90,000	N.A.
Mr. Vinod C. Sampat (w.e.f. 21.01.2021)	--	--	--	50,000	50,000	N.A.
Mr. Vipulkumar S. Modi (upto 06.01.2021)	--	--	--	3,00,000	3,00,000	N.A.
Ms. Shalu Bhandari	--	--	--	4,60,000	4,60,000	N.A.
Mr. Ashok Mukand	--	--	--	2,80,000	2,80,000	N.A.
Mr. Amir Singh Yadav	--	--	--	0	0	N.A.

Note: The term of office of Mr. Ashok Kumar Gupta is up to April 14, 2026 . 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. D.K. Shukla as a Chairman consists of the members as stated in Table 11 below. During the financial year ended March 31, 2021, the Stakeholders' Relationship Committee met three times on June 29 2020, August 08, 2020 and November 12, 2020.

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, 2021

Name of Committee Members	Category	Stakeholders' Relationship Committee Meetings held / attended
Mr. Kushagra Bajaj	Non-Executive - Promoters	03/01
Mr. Vipulkumar S. Modi (upto 06.01.2021)	Independent, Non-Executive	03/03
Mr. D. K. Shukla, Chairman*	Independent, Non-Executive	03/03
Ms. Shalu Bhandari (w.e.f. 21/01/2021)	Independent , Non-Executive	00/00

*Chairman of the Committee

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, 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, 2021

	Number of Shareholders' complaints received during 2020-21	Solved to the satisfaction of Shareholders	Not solved to the satisfaction of Shareholders	Number of Pending Complaints
Non-receipt of Dividend/ Dividend Warrant	8	8	NA	0
Non-receipt of Share Certificate	0	0	NA	0
Non-receipt of Annual Report	0	0	NA	0
Legal and others	0	0	NA	0
Total	**8**	**8**	**NA**	**0**

None of the complaints is pending for a period exceeding 30 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 focused 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, 2021

Name of Committee Members	Category
Mr. Kushagra Bajaj, Chairman	Chairman
Mr. Ashok Kumar Gupta	Managing Director
Mr. Vipulkumar S. Modi (upto 06.01.2021)	Independent Director – Non-Executive
Mr. Vinod C. Sampat (w.e.f. 21.01.2021)	Independent Director – Non-Executive
Mr. Alok Kumar Vaish	Chief Financial Officer
Mr. Kausik Adhikari (w.e.f. 21.01.2021)	Company Secretary

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

During the financial year ended March 31, 2021, one meeting was held on February 11, 2021 for the Risk Management Committee. All Committee Members except Mr. Kushagra Bajaj, were present at the Meeting.

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, 2021

Name of Committee Members	Category
Mr. Kushagra Bajaj, Chairman	Chairman (Non-Executive)
Mr. Ashok Kumar Gupta	Managing Director
Ms. Shalu Bhandari	Independent, Non-Executive

During the year under review, the Corporate Social Responsibility Committee met on November 12, 2020. 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, 2021

Name of Committee Members	Category	CSR Committee Meetings held / attended
Mr. Kushagra Bajaj, Chairman	Chairman (Non-Executive)	01/01
Mr. Ashok Kumar Gupta	Managing Director	01/01
Ms. Shalu Bhandari	Independent, Non-Executive	01/01

Independent Directors' Meeting

During the year under review, the Independent Directors met on November 12, 2020, 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 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, 2021

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 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 Chairman of the Board is a non-executive director not related with the Managing Director or the Chief Executive Officer.

(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 2020-2021, following fees were paid to the statutory auditors by the Company.

Amount in ₹

Sr. No.	Nature of services	Fees paid
1	Statutory audit	23,00,000
2	Tax audit	2,00,000
3	Limited review	5,00,000
	Total	**30,00,000**

Notes:

1. Fees paid including provisions made during the year.
2. Amount paid excluding 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, 2021.

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, 2021 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 89th AGM	Wednesday, the 15th day of September, 2021 at 11.00 A.M through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM")

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
86th AGM	Friday, 21st September, 2018 at 11.00 A.M.	Conference Hall, General Office, Bajaj Hindusthan Sugar Limited, Golagokarannath, Lakhimpur-Kheri, District Kheri, Uttar Pradesh-262 802
87th AGM	Friday, 20th September, 2019 at 11.00 A.M.	Conference Hall, General Office, Bajaj Hindusthan Sugar Limited, Golagokarannath, Lakhimpur-Kheri, District Kheri, Uttar Pradesh-262 802
88th AGM	Tuesday, 29th September, 2020 at 11.00 A.M.	Through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM")

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

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 payable to Cost Auditors	Ordinary Resolution

87th AGM

	Subject matter of the resolutions	Type of resolution
1.	Ratification of the remuneration payable to Cost Auditors	Ordinary Resolution
2.	Appointment of Mr. Amir Singh Yadav (DIN: 08481111) as a Nominee Director of the Company	Ordinary Resolution
3.	Remuneration payable to Mr. Ashok Kumar Gupta (DIN: 02608184), the Whole-time Director, 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 at the amended terms and remuneration.	Special Resolution

88th AGM

	Subject matter of the resolutions	Type of resolution
1.	Appointment of Statutory Auditor M/s R.S.Dani & Co., Chartered Accountants for a period of five years from conclusion of this 88th AGM until the conclusion of 93rd AGM in place of retiring auditor M/s Chaturvedi & Shah LLP, Chartered Accountant - Ordinary Business	Ordinary Resolution
2.	Appointment of Mr. Atul Hasmukhrai Mehta (DIN:00112451) as an Independent Director for 5 years w.e.f. January 01, 2020 upto December 31, 2024 – Special Business	Ordinary Resolution
3.	Re-appointment of Mr. Ashok Kumar Gupta (DIN:02608184) as the Managing Director for a period of 5 years w.e.f. April 15, 2021 upto April 14, 2026	Special Resolution
4.	Ratification of the remuneration payable 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 May 29, 2020 had appointed M/s Gupta Baul & Associates, Company Secretaries as the scrutiniser.
2. The despatch of the Postal Ballot Notice dated May 29, 2020 together with Explanatory Statement was completed on May 30, 2020 to all the shareholders whose name(s) appeared on the Registers of Members/List of Beneficiaries as on May 22, 2020.
3. The voting under the Postal Ballot was kept open from May 31, 2020 to June 29, 2020 (through electronic mode).
4. Votes cast by the members through e-voting, were reconciled with the records maintained by the Registrar and Share Transfer Agent of the Company and authorizations lodged with the Company.
5. On June 30, 2020, Mr. Kausik Adhikari, Company Secretary announced the following results of the Postal Ballot as per the Scrutiniser's Report.

The details of the resolution passed through postal ballot is as follows:

Special Resolution for providing security extending pledge of shares of Lalitpur Power Generation Company Limited (LPGCL) held by the Company, as a part of a joint obligation for all the existing shareholders of LPGCL, to secure Working Capital Loans for an Adhoc limit of ₹269.70 crore to be availed by LPGCL.

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)	
	No. of Shares	%
Votes cast in favour	22,47,14,256	93.25
Votes cast against	1,62,77,178	6.75
Total	24,09,91,434*	100.00

*1 member abstained from voting for his holding of 64,237 number of equity shares was not included in net valid votes

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

Thursday, September 09, 2021 to Wednesday, September 15, 2021 (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, ₹ 6,17,670 pertaining to the unpaid dividend for the year 2011-12 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 followng 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/- each	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

ISIN Description	Debit/Credit	Records	No. of Shares	Execution Date
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	9,83,316	

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 2011-12 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.

No dividend was declared after 2011-12.

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, 2020	449	2,63,620
Number of shareholders who approached the Company for transfer of shares from suspense account during the year	0	0
Number of shareholders to whom shares were transferred from the suspense account during the year	0	0
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on March 31, 2021	449	2,63,620

The voting rights on the shares outstanding in the suspense accounts as on March 31, 2021 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 89th Annual General Meeting.

Means of Communication

Financial Results: The Company has published its quarterly, half-yearly and annual results in 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 at 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 at www.bajajhindusthan.com.

Website: The Company's website (www.bajajhindusthan.com) contains 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 M/s. Link Intime India Private Limited.

Share transfer system

All share transfers and other communications regarding share certificates, change of address, dividends, etc. should be addressed to the Registrar and Share Transfer Agent (RTA). M/s. Link Intime India Private Limited is the common Share Transfer Agent for both physical and dematerialised mode. Transfer of shares in electronic form were processed and approved by NSDL and CDSL through their Depository Participant without the involvement of the Company. Transfer of shares in physical form were registered and transferred to the respective transferees within the prescribed time as per the Listing Regulations, after the confirmation from RTA on the completeness of documentation. The Company also obtains a certificate from the Practicing Company Secretary on half yearly basis under Regulation 40(9) of the Listing Regulations, to the effect that all share certificates have been issued within 30 days of lodgement of the transfer, sub- division, consolidation and renewal and files the same with stock exchanges.

The number of shares transferred in physical category during the year ended March 31, 2021 was Nil as compared to 600 in 2019-2020.

Dematerialisation of shares and liquidity

During the year ended March 31, 2021, 5,280 shares were dematerialised as compared to 21,431 shares during 2019-2020. The distribution of shares in physical and electronic modes as at March 31, 2021 and March 31, 2020 is provided in Table 17.

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

Categories	Position as at March 31, 2021		Position as at March 31, 2020		Shares Dematerialised during the year ended March 31, 2021	
	No. of Shares	% to total shareholding	No. of Shares	% to total shareholding	No. of Shares	% to total shareholding
Physical	8,40,677	0.075	8,45,957	0.075	-5,280	0.000
Demat:						
NSDL	79,13,36,081	69.810	84,04,69,870	74.144	-4,91,33,789	-4.334
CDSL	34,13,83,184	30.115	29,22,44,115	25.781	4,91,39,069	4.335
Sub-total	1,13,27,19,265	99.925	1,13,27,13,985	99.925	5,280	0.000
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
The 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 2020-2021 to all the stock exchanges where its securities are listed.

Market price data

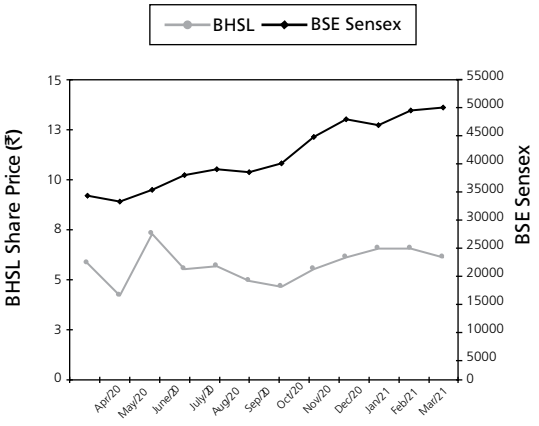
The details of high/low market price of the equity shares of the Company at BSE Limited and at The National Stock Exchange of India Limited (NSE) during the last accounting year of the Company are provided hereunder. (See Table 18)

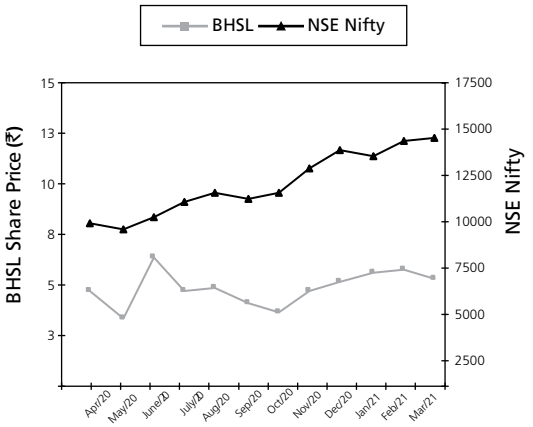
Table 18: Monthly high/low market price of equity shares of Bajaj Hindusthan Sugar Limited during the period ended March 31, 2021

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 2020	5.80	2.76	5.80	5.60	2.75	5.60
May 2020	5.76	3.77	4.21	5.80	3.75	4.25
June 2020	8.25	4.23	7.35	8.30	4.30	7.35
July 2020	7.35	5.54	5.57	7.30	5.55	5.60
August 2020	6.43	5.55	5.76	6.45	5.60	5.75
September 2020	6.06	4.68	4.98	6.10	4.70	5.00
October 2020	5.07	4.57	4.69	5.10	4.55	4.65
November 2020	5.80	4.35	5.61	5.85	4.35	5.60
December 2020	7.18	5.25	6.17	7.20	5.05	6.15
January 2021	7.40	6.11	6.57	7.35	6.10	6.55
February 2021	6.81	5.95	6.62	6.80	5.90	6.65
March 2021	8.46	5.20	6.19	8.50	6.15	6.20

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, 2021 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, 2021 (See Table 19)

Table 19: Shareholding distribution as at March 31, 2021

Category	No. of shareholders	% of total holders	No. of Shares	% of Capital
Up to 500	1,39,448	66.8915	1,98,43,619	1.75
501 to 1000	25,623	12.2910	2,23,06,100	1.97
1001 to 2000	16,239	7.7896	2,60,97,047	2.30
2001 to 3000	7,096	3.4039	1,86,52,577	1.65
3001 to 4000	2,344	1.6041	1,22,16,481	1.08
4001 to 5000	4,139	1.9854	1,99,55,316	1.76
5001 to 10000	6,151	2.9506	4,78,36,672	4.22
10001 and above	6,429	3.0839	96,66,52,130	85.28
Total	**2,08,469**	**100.00**	**1,13,35,59,942**	**100.00**

Shareholding Pattern

Table 20 gives the shareholding pattern of the Company as at March 31, 2021

Table 20: Shareholding pattern as at March 31, 2021

Categories	March 31, 2021		March 31, 2020	
	No. of Shares	**Percentage**	No. of Shares	Percentage
Promoters	**17,49,43,422**	**15.43**	17,49,43,422	15.43
Mutual Funds/UTI	**2,000**	**0.00**	2,000	0.00
Financial Institutions/Banks	**40,91,32,453**	**36.09**	45,48,41,073	40.13
Insurance Companies	**4,31,65,896**	**3.81**	4,31,65,896	3.81
Foreign Institutional & Foreign Portfolio-Corp.	**16,31,797**	**0.14**	2,54,97,933	2.25
NRIs & OCBs	**1,16,85,499**	**1.03**	90,02,910	0.79
GDRs	**--**	**--**	--	--
Others	**49,29,98,875**	**43.50**	42,61,06,708	37.59
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 practicing 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 the 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) on January 19, 2021 are given below.

Sr. No.	Facilities	Amount (₹ Crore)	Ratings
1	Long-term Bank Facilities	6,497.99	CARE D (Single D)
2	Short-term Bank Facilities	278.83	CARE D (Single D)
Total facilities		**6,776.82**	

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
   Website: www.linkintime.co.in

Declaration

I, Kushagra Bajaj, Chairman 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

Sd/-
Kushagra Bajaj
Chairman
(DIN: 00017575)

Mumbai
June 08, 2021

Independent Auditor's Certificate on Compliance with the Corporate Governance Requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To

The Members of
Bajaj Hindusthan Sugar Limited

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, 2021, 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).

Management's Responsibility for compliance with the conditions of Listing Regulations

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.

Auditor's 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, 2021.
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.
10. This certificate is issued solely for the purposes of complying with Listing Regulations and may not be suitable for any other purpose.

Note: Due to lockdown under COVID-19, Certification on this Certificate of Corporate Governance is done on the basis of documents made available to us in electronic form (i.e. scanned copies vide e-mail) by the Secretarial Team of the Company.

For R.S. DANI & CO.

Chartered Accountants
(Firm Registration No.: 000243C)

C.P.Kothari

Partner
Membership No. 072229
UDIN : 21072229AAAADW1810

Ajmer
June 08, 2021

Certificate of Non-Disqualification of Directors

[As per Clause C of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Regulation 34(3) of the said Listing regulations]

To,

The Members,
Bajaj Hindusthan Sugar Limited
Golagokarannath, Lakhimpur,
Kheri - 262 802
Uttar Pradesh

Pursuant to Clause 10 (i) of Part C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with regulation 34(3) of the said Listed Regulations, we hereby certify that none of the Directors on the Board of Bajaj Hindusthan Sugar Limited have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities Exchange Board of India/Ministry of Corporate Affairs or any such statutory authority as on the financial year ended on 31st March, 2021.

For Anant B Khamankar & Co.
Company Secretaries
Sd/-
Anant B. Khamankar
Membership No. : 3198
C P No. : 1860
UDIN : F003198C000431780

Date: 8th June, 2021
Place: Mumbai

Management Discussion and Analysis

I. Global Scenario

After 2 consistent years of surplus Sugar Production during the years (Oct – Sept) 2017-18 & 2018-19, Year 2019-20 turned out to be deficit year owing to the lower Production in all major Sugar producing countries including India, Brazil and Thailand. Year 2020-21 is also shaping out as deficit year though marginal one.

The graph of ICE 11 (Raw Sugar) and LIFFE (White Sugar) exchange prices during last 3 years i.e. April 2018 – March 2021 is given below:-

Chart 1: ICE 11 : Raw Sugar Settlement

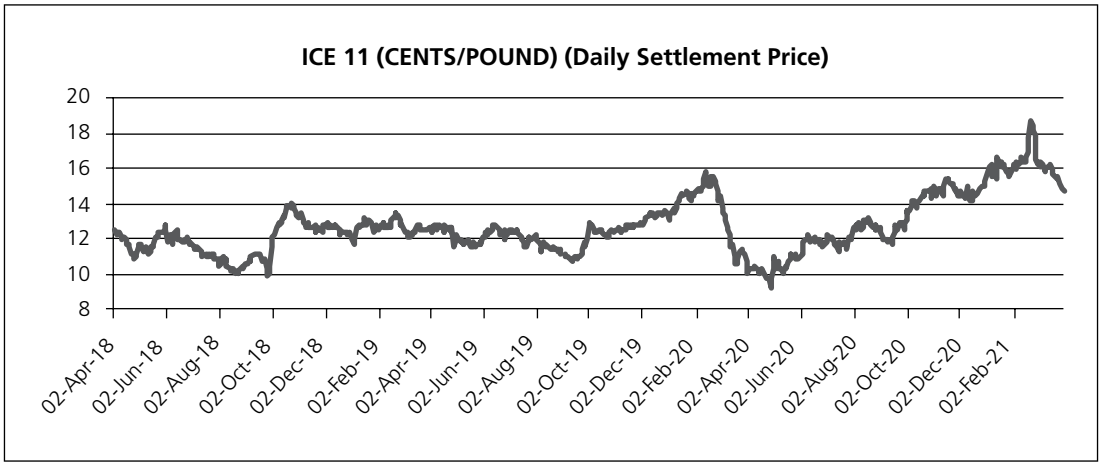
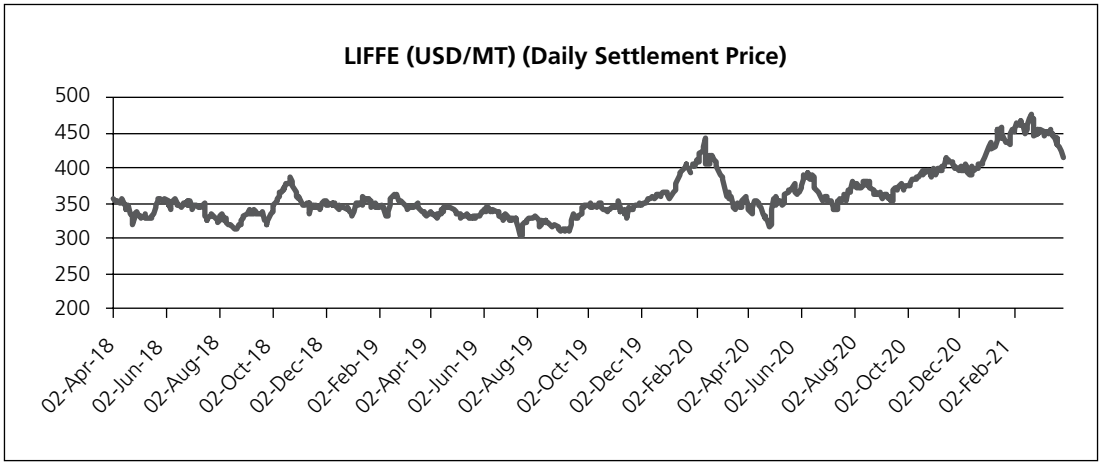


Chart 2: LIFFE Price Movement



From the above price graph of 3 years, it can be observed that till September 2019, Sugar prices remained depressed due to Year 2017-18 and then 2018-219 being surplus production years.

From Oct 19, Sugar prices started improving because of various factors including the fact that Year 2019-20 and 2020-2021 are estimated deficit years.

ICE 11 (Raw Sugar Prices)

Raw Sugar prices started from the level of 12.5 cents/pound as on 1st April, 2018 attended the high of 18.8 cents / pound during February 2021 and low of 9.2 cents / pound during April 2020. (Though lowering of prices to as low as 9.2 cents during April 2020 was more because of reasons related to COVID, lockdown in number of countries and was short lived).

Closing level of ICE 11 price on 31st March, 2021, is 14.77 cents/pound.

LIFFE (White Sugar Prices)

Similarly White Sugar prices started from the level of 355 cents / pound as on 1st April, 2018 and continued range bound till Oct/Nov 2019 month touching low of 300 USD/mt in between.

From thereafter LIFE prices increased and touched the peak of 488 USD/mt during Feb 2021 month with price as on 31st March, 2021 at level of 420 USD/mt.

Table 1: Global Balance Sheet

Unit : 000 Metric tonnes, Raw value

Year(Oct-Sept)	Production	Import	Consumption	Export	End Stocks
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	171804	60655	163572	60632	82956
2013-14	174132	58361	165282	57917	92257
2014-15	169373	58259	166888	58270	94731
2015-16	164114	66195	169978	66322	88740
2016-17	169080	64730	172691	64989	84870
2017-18	180731	62823	172240	62825	93359
2018-19	176118	57927	174308	58011	95169
2019-20	171980	59657	176743	59644	90335
2020-2021 (P)	173462	60301	174186	60218	95654

Source : ISMA

Table 2: Major Sugar Producing Countries during last three years

Unit : 000 Metric tonnes, Raw value

S.No	Name of Country	2017-18	2018-19	2019-20
1	Brazil	31049	29030	37394
2	India	32479	33160	27410
3	China	10633	10503	10400
4	Thailand	14674	14441	8284
5	U.S.A.	7758	7551	6668
6	Mexico	6010	6426	5278
7	Pakistan	5652	5552	5190
8	Australia	4729	4102	4102
9	Germany	4595	3825	3977
10	France	5219	5060	4699
11	Russia	6480	6292	7900
12	Indonesia	2165	2267	2100
13	Philippines	2127	2037	2146
14	Argentina	1562	1617	1600
15	Colombia	2378	2207	2259
16	South Africa	2084	2307	2200
17	Guatemala	2704	2930	2764
18	Poland	2194	2190	2065
19	Turkey	2704	2283	2496
20	Ukraine	2095	1669	1480
21	Egypt	2170	2519	2900
22	Cuba	1086	1193	1210

S.No	Name of Country	2017-18	2018-19	2019-20
23	Peru	1073	1146	1340
24	Vietnam	1646	1174	986
25	Iran	1805	1520	1550

Source : ISMA . Year (Oct-Sept)

We are analyzing International Sugar price, various factors affecting price during the Year 2020-2021 (April – March) as under:-

Chart 3: Sugar Price April 2020-March 2021

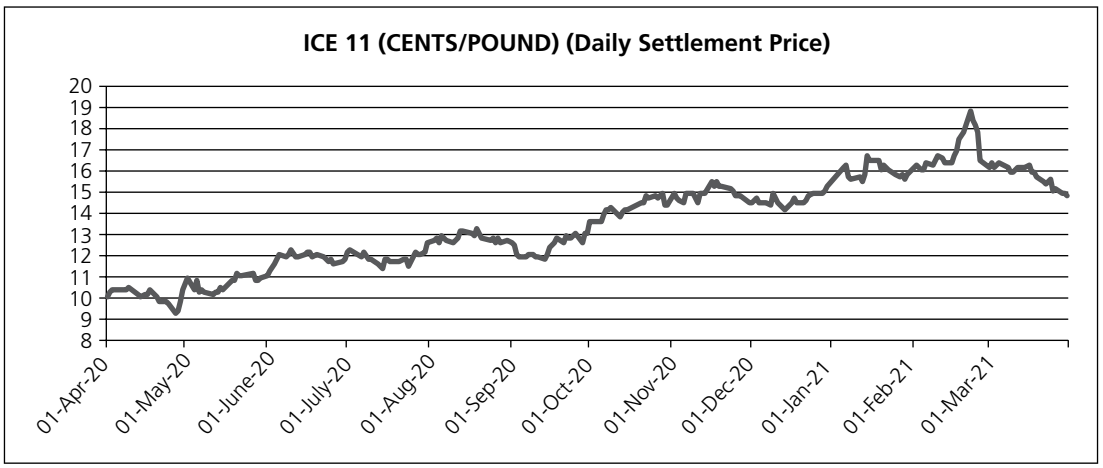
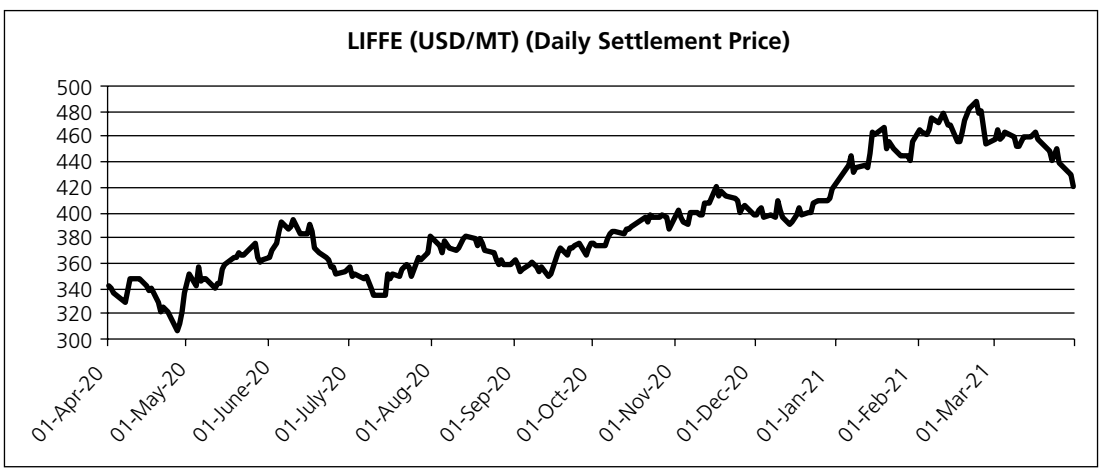


Chart 4: LIFFE Daily Settlement Price



From the above graphs for the Year 2020-21 (April – March), it can be seen that it has been a good year from Sugar price perspective where price has continuously increased.

ICE 11 price started from the level of 10 cents as on 1st April, 2020, touched the low of 9.2 cents in April 20 month, high of 18.8 cents in Feb month with price of 14.77 cents/pound as on 31st March, 2021.

LIFE price started from the level of 342 as on 1st April, 2020, low of 307 USD in April month then reaching to high of 488 USD/mt during Feb month. Closing price as on 31st March, 2021 remained at level of 420 USD/mt.

Influence factors during the Year 2020-2021 (Oct – Sept)

India :

During the year 2020-21 (Oct-Sept), there had been a delay in announcement of Export quota / export assistance.

This year, it was announced at the end of December 2020 whereas last year it was announced in II week of September month. Delay in announcement of Export assistance helped International Sugar prices to firm up so as to pull Indian Sugar for exports as World needed it.

It was because of improved International Sugar prices that Government could manage with export assistance of ₹ 6.0 per Kg this year (2020-21) whereas last year assistance was to be given of ₹ 10.448 per Kg to push exports.

Due to lower production in Thailand, overall deficit in World balance sheet during 2019-20 and now 2020-21, good demand, India have contracted almost 90% of overall quota of 6.0 Million MT for the year 2020-21 out of which 2.5 Million MT is estimated to have been exported during Jan – March 2021 and entire quota is estimated to be exported by June / July 2020-2021.

With consistent surplus Sugar production, India has become structured exporter and is consistently exporting Sugar now year after year and creating new records.

During the Year 2019-2020, India exported a quantity of 5.95 Million MT which had been all time high figure and during 2020-21 country is estimated to surpass it and create another record of 6.5 Million MT of Sugar exports.

Brazil CS :

Table 3: Cane Crush / Sugar Production / Ethanol Production – Brazil CS

Year April – March

Particulars	Unit	2017-2018	2018-2019	2019-2020	2020-2021
		Actual	Actual	Actual	Estimated
Total cane crush	Million MT	596.31	573.13	590.36	605.46
Sugar Production	Million MT	36.06	26.51	26.76	38.46
Ethanol Production	Billion Litres	26.09	30.95	33.26	30.37
Diversion of Cane					
Used for sugar	%	46.46	35.21	34.33	46.16
Used for ethanol	%	53.54	64.79	65.67	53.84
TRS		136.60	137.89	138.57	144.72

Source : UNICA

From the above figures, it can be observed that

Diversion of Cane towards Sugar has significantly increased during the Year 2020-21 because of improved prices of Sugar resulting into better price parity in favor of Sugar as against Ethanol.

Because of higher availability of cane, improved TRS of cane and higher diversion of cane towards Sugar, Sugar production in Brazil CS has increased to 38.46 Million MT from last year level of 26.76 Million means increase by whopping 43.7%.

Due to very low level of Sugar prices during the Year 2018-19 and 2019-20, cane diversion towards Sugar remained very low at level of 35.21 % and 34.33% respectively as against 46.46% previous year.

Because of lower diversion of Cane during these 2 years Sugar production came down to record low levels of 26.51 Million MT and 26.76 Million MT during these 2 years.

So, switch of Cane between Sugar & Ethanol plays a very good balancing role to regulate Sugar production not only for Brazil but also global balance sheet.

From above table, it can be seen that TRS levels (Sucrose content) are improving year after year and has increased from the level of 136.6 during 2017-18, 138.57 during 2019-20 to the level of 144.72 during 2020-21.

Going ahead for the Year 2021-22, there are talks of lower Sugar production in Brazil CS due to poor rainfall affecting yields which also seems to be strenthening Sugar prices.

Wilmar Sugar has been the most pessimistic of all and has predicted that during 2021-22, Brazil CS cane crop may reduce to to 530 Million MT down by 12.4%, Sugar production to 31 / 33 Million MT and Ethanol production to 23 / 25 million MT.

Another research agency Canaplan predicted that cane crush will reduce to 540 – 553 Million MT, Sugar production to 33.1 – 33.8 million mt amd Ethanol production to 24 – 24.5 billion litres due to dry weather.

There are certin optimistic estimates as well like one from Archer Consulting with cane crush at 575 Million MT, Sugar production at 35 Million MT and 24.7 billion litres.

Datagro estimates Sugar production level at 36.3 Million MT during the Year 2021-22.

Stone X, broker and analyst firm estimates Cane crush of 567 – 578 Million MT with increased diversion of Cane towards Sugar. It is estimated that Mills will maximise cane crush for Sugar for which they extend crushing period by even reducing per day crush so as to produce more sugar and less Ethanol with prediction of Sugar production not less than 36 Million MT.

UNICA announced crop performance during current year 2021-22 upto 16th April as per which Sugar production is down by 35.75% as compared to corresponding period last year as under :-

Table 4: Corp Performance by UNICA – during current year 2021-22 up to April 16

Particulars	Unit	Cumulative upto 16th April, 2021		
		2021-2022	2020-21	YoY%
Total cane crush	Million MT	15.63	22.51	-30.57
Sugar Production	Million MT	0.62	0.97	-35.74
Ethanol Production	Billion Litres	0.73	0.99	-25.86
TRS				
Diversion of Cane				
Used for sugar	%	38.55	40.15	
Used for ethanol	%	61.45	59.85	
TRS		108.73	112.81	-3.62

(Performance upto 16th April is just initial tend and is not indicative performance for whole year).

So, it is widely believed that during Year 2021-22, Sugar production will be lower with wide estimates between 31 – 36 Million MT as against last year production of 38.46 Million MT.

From above, it can be seen that Brazil Sugar Industry on one hand is working on Cane quality visible from increasing TRS, on other hand shows flexibility of increasing / decreasing Sugar production depending upon market dynamics and thus plays a major balancing factor.

Thailand:

Thailand plays a major role in framing World Sugar market due to its position as major Sugar exporter in the World.

Year after year Sugar production in Thailand is coming down which is do with poor rainfall and also depressed sugar prices in last 2-3 years and better return on alternate crop option like cassava.

Sugar Production in Thailand which was in excess of 14 Million MT during 2017-18 has gone to the level of 8.3 million MT during 2019-20 and further to estimated level of 7.4 Million MT during 2020-21.

Next year 2021-22 it is estimated that it will increase to 9.9 Million MT higher by 33.8% with improved price and conditions.

Thailand slippage in Sugar production has thrown open their conventional markets in Asia like Indonesia, Malaysia, Bangladesh to Indian Sugar helping India to export sugar big way.

Crude Oil

Crude Oil plays major influencing role for Sugar prices as it is one of major macro factors and secondly higher crude oil prices indicate higher diversion of cane towards ethanol thus in direct proportion to Sugar prices.

During the Year 2020-21 (April – March), Crude Oil has also been a big support factor for Sugar prices. Crude oil price (WTI) was at level of 20.48 USD/barrel as on 1st April, 2020 though this was a dismal level because of total demand destruction due to COVID issues. In fact in between Crude oil prices had gone negative as well and WTI touched the level as low as -40.3 USD.

From level of 20.48, price increased upto the level of 59.16 USD/barrel as on 31st March, 2021 and in process also helped strengthening of Sugar prices.

Currency

Brazilian Real: During the Year 2020-21, Brazilian real appreciated from the level of 5.63 in beginning of April 2020 to the level of 5.20 by end of March 2021 which means appreciation of 7.6%.

Indian Rupee: Similarly during the Year 2020-21, INR has appreciated from the level of 76.4 in beginning of April 2020 to level of 73.1 by end of March 2021 which means appreciation of 4.3%.

Appreciation of the currency of 2 major Sugar exporting countries i.e. Brazil and India has also helped in firming up Sugar prices.

2021-22 (Oct – Sept) Global sugar surplus:

While 2021-2022 is marginal deficit year, Year 2021-22 is estimated to be surplus year.

For the Year 2021-22, Datagro estimates surplus of 2.74 Million MT owing to production recovery in Thailand, another good crop in India, higher yields in Europe, increase in Russia Sugar production by 18%.

Datagro has estimated Sugar deficit for the Year 2020-21 at 1.51 Million MT.

Czarnikow estimates global Sugar surplus of 2.7 Million MT which is down from earlier estimate of 3.0 Million MT during 2021-22. Rabobank estimate of global sugar surplus for the same period is 1.5 Million MT.

Year 2020-21 is global deficit with varying degree of estimate between 0.7 – 3.5 Million MT of Sugar.

Over a period of time, India has become a structured exporter of sugar, a reliable source of Sugar supply for many destinations with continued Government support.

II. Indian Scenario

Since the early 2020, COVID had been spearheading across the Globe to which India is also no exception, badly affecting the Industry, leading to weak macros, overwhelming health infrastructure, weakening demand, joblessness, etc.

In India during March 2020, national lockdown had been imposed with tough restrictions all the place. But during the said lockdown, Sugar mills across the country continued with the crushing operation and crushed entire cane available despite all challenges including availability and transportation of Raw material like PP bags, Sulphur, lime, etc., weakened sale of end products, logistics, Cash flow issues.

There had been major demand contraction of Sugar initially in month of March / April due to lockdown and closure of all Institutional units consuming Sugar but during later part of the year, demand recovered and part of loss of demand was also made up. Total domestic consumption during the Sugar year 2019-2020 remained at the level of 25.3 Million MT as against 25.5 Million MT previous year.

Similar kind of demand destruction was seen in Ethanol supplies as well during lock down period. Petrol sale had come down significantly which affected Ethanol demand as well at oil company depots. However, Industry was able to address this issue by supplying Ethanol to far flung depots which initially had not been blending Ethanol.

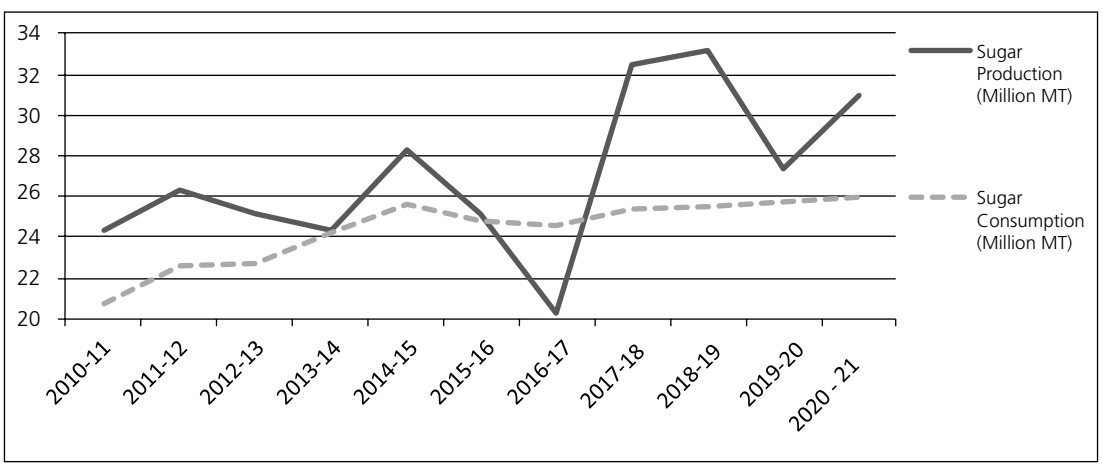
Surplus Production

Last 11 years, Indian Sugar Industry has continuously been producing Sugar more than what is required in domestic market barring Year 2016-17.

Last 4 years, Sugar Production had been exceeding 30 Million MT except year 2019-2020 when it could reach the level of 27.4 Million MT.

This can be seen from the graphical representation of Sugar Production and Sugar consumption for last 11 years, as below.

Chart 5: Sugar Production and Sugar Consumption for 11 years



Year Sugar Year (Oct – Sept)

During Year 2019-20, Sugar production remained lower because of dip in Sugar production in state of Maharashtra and Karnataka. U.P. state continues to remain consistent with its production and this is 4th year in a row when U.P. estimated to produce more than 11 Million MT of Sugar.

This gives number-one slot of Sugar production to U.P. state 5th year in a row since the Year 2016-17 followed by Maharashtra which has never happened in past. Though during 2021-22, Sugar production of both the states will be very near to 11 Million MT.

While increased Sugar production has given better capacity utilization to Industry and has helped the Industry and Trade in terms of better Sugar recovery and yield, it has also created problem of excess Sugar in system and also its bearing on Sugar prices.

While Indian Sugar trade had been grappling with the problem of Sugar surplus for quite some time now but over a period Industry has been able to evolve itself so as to convert this problem into opportunity.

"Ethanol" has become the buzz word these days and has come as an opportunity for the Industry where on one hand Industry is able to increase its Ethanol production by diverting excess Sugar for highly ambitious bio-fuel program of Government of India, on the other hand Industry is able regulate its Sugar production.

Year after year Ethanol production in country is poised to increase with Government including number of Raw materials including damaged grains, Rice and giving price in line with its cost. Government has shown a road map by floating Ethanol tender for a period of 5 years during the current year where Quantity and price will be finalized every year.

India is making new records every year on Sugar Export front as well where last year 2019-20 country exported a highest ever quantity of 5.95 Million MT.

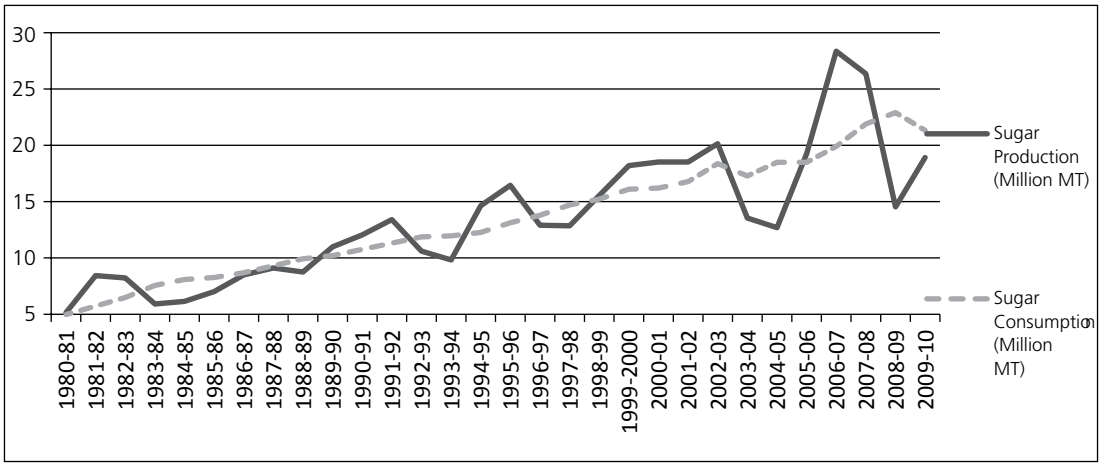
This is not all and this year country is poised to surpass last year record and is estimated to export a quantity of 6.5 Million MT Sugar.

India has been able to cope up with challenge of excess Sugar production through continued Sugar export program and diversion of Sugar towards Ethanol. However, all above would not have been possible without the Government support and policy framework. Thanks to the Government policies and support system which has made it happen.

With above support and policies, cyclical pattern of Indian Sugar production has become a trend of past and now is in position to produce Sugar best to its capacity with excellent yields, recovery and efficiency.

We are giving below the graphical representation of cyclical pattern of Indian Sugar Production since the Year 1980-81 till 2009-10 where it can be seen that after every 2-3 years of surplus there is a period of deficit Sugar production which use to act as balancing factor for surplus Sugar production.

Chart 6: Cyclical pattern of Sugar Production / Demand since 1980



Year Sugar Year (Oct – Sept)

State-wise Sugar Production

Table 5: State-wise Sugar Production on All India basis since the Year 2014-15 given below

Unit : Million MT

Sr. No.	State	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21 (Est.)
1	Uttar Pradesh	7.10	6.84	8.77	12.05	11.82	12.64	11.00
2	Maharashtra	10.51	8.42	4.20	10.72	10.72	6.17	10.80
3	Karnataka	4.94	4.05	2.17	3.75	4.43	3.49	4.25
4	Gujarat	1.15	1.17	0.89	1.11	1.12	0.93	1.02
5	Andhra Pradesh	0.56	0.55	0.39	0.47	0.51	0.29	0.30
6	Punjab	0.54	0.67	0.69	0.82	0.79	0.54	0.60
7	Haryana	0.58	0.54	0.67	0.84	0.70	0.74	0.70
8	Bihar	0.53	0.50	0.53	0.72	0.84	0.73	0.45
9	Tamil Nadu	1.25	1.37	1.07	0.71	0.96	0.79	0.90
10	Madhya Pradesh & Chattisgarh	0.45	0.40	0.41	0.55	0.56	0.46	0.40
11	Uttarakhand	0.33	0.27	0.35	0.42	0.40	0.46	0.45
12	Telangana	0.32	0.28	0.12	0.27	0.26	0.14	0.10

Unit : Million MT

Sr. No.	State	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21 (Est.)
13	Others	0.07	0.06	0.05	0.05	0.05	0.04	0.05
	Total	**28.31**	**25.13**	**20.29**	**32.48**	**33.16**	**27.41**	**31.02**

Year Sugar Year (Oct – Sept)

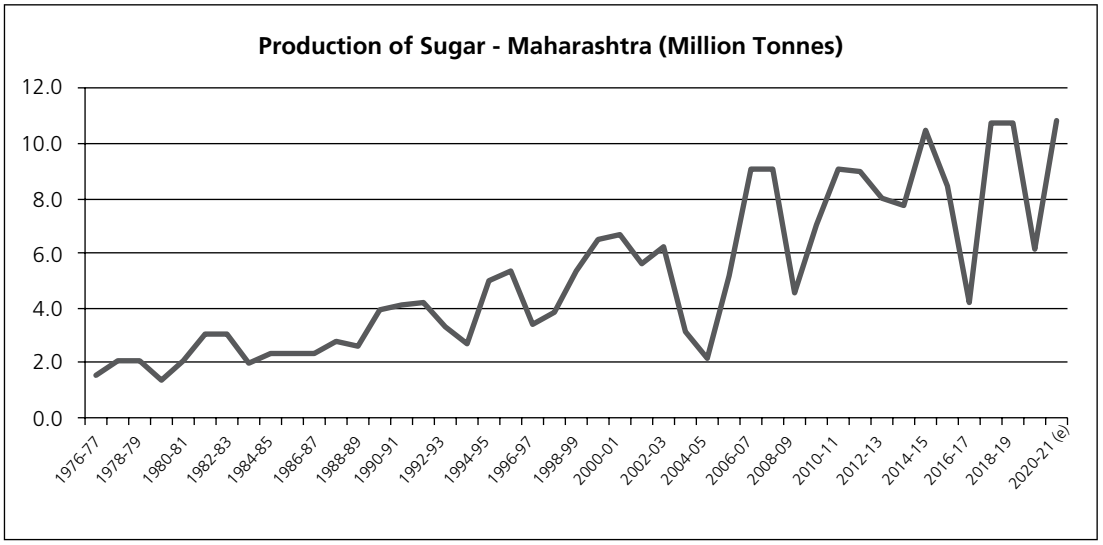
U.P. state is the consistent performer and has become number one Sugar producer in country since the Year 2016-17 i.e. last 5 years. U.P. State has consistently been producing Sugar in excess of 11.0 Million MT since last 4 years and has touched the high of 12.6 million MT during the year 2019-2020. This performance is despite the fact that every year the state is increasing its diversion of Sugar towards Ethanol and can now boast of largest Ethanol producer and supplier in country. Going ahead, projections are that such excellent performance of U.P. state will continue in years to come as well.

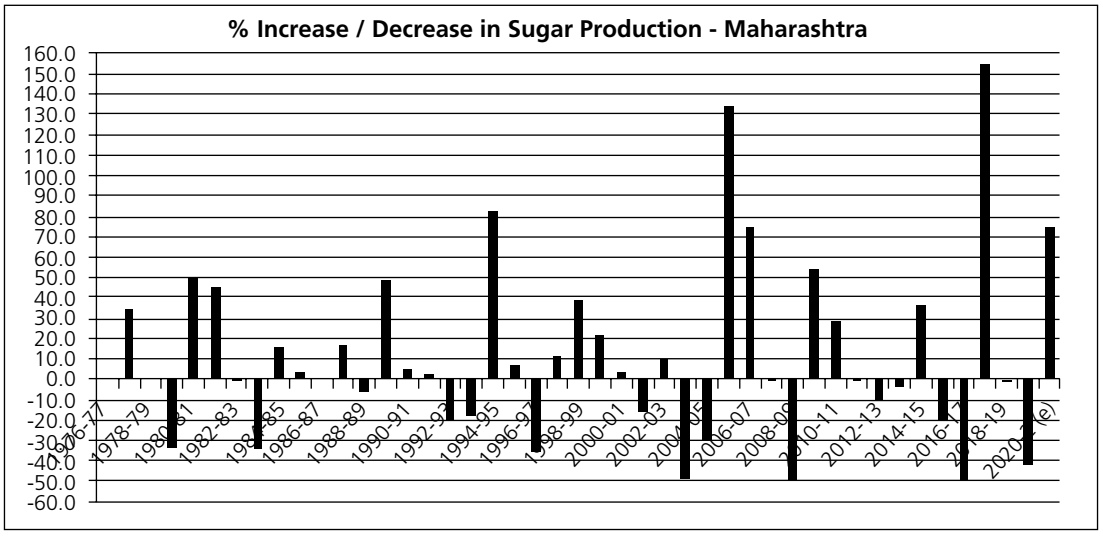
Maharashtra has lost the place of number one Sugar producer which was during 2015-16 and before and is now number two Sugar producer in country.

Maharashtra Sugar production is volatile and in between there are large swings in Sugar production. For instance during the Year 2016-17 there has been dip of 50% in Sugar production. During 2017-18, normalcy returned to Sugar production with increase of 155% in Sugar production. Again after 2 years during 2019-20, dip in production by 42% and during 2020-21 estimated increase in Sugar production by 75%.

In Maharashtra this fluctuating Sugar production is not new feature which we have illustrated through a graphical representation since Year 1976-77 as below:-

Chart 7: Production of Sugar - Maharashtra





Karnataka state is the 3rd largest Sugar producer in country and being the neighboring state of Maharashtra working in similar conditions, is having fluctuating Sugar production as can be seen from the above Table of State-wise production.

Tamil Nadu is the worst hit state in country which has produced Sugar to the tune of 2.5 Million MT earlier is now producing below 1.0 Million MT continuously and has not been able to come out of this dismal performance.

3 states i.e. U.P., Maharashtra and Karnataka are producing majority of Sugar production and their overall share is also increasing. During 2020-21 share of these 3 states is estimated to be 84% which was around 81% in previous year.

The improved Sugar 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 are given below from where it can be seen that how the productivity in terms of yield and recovery has changed:-

Table 6: State-wise Yield of Sugarcane

(MT/hectare)

State	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
Maharashtra	93	76	60	108	85	77
U.P.	55	53	62	77	71	70
Karnataka	94	78	60	94.5	91	92
Gujarat	71	75	60	72	69	59
Tamil Nadu	88	98	81	60	73	70
Andhra Pradesh & Telangana	66	66	51	65	65	51
Punjab	67	74	74	84	86	69
Haryana	69	65	71	83	72	76
Bihar	50	50	50	62	66	61
M.P. & Chattisgarh	60	51	54	71	74	66
Uttarakhand	53	51	57	65	60	67
Orissa	50	50	38	40	42	40

Year Sugar Year (Oct – Sept)

From above, it can be observed that Yield of all states across the country has significantly increased since the Year 2017-18 (except Tamil Nadu where it has dropped). However during the 2018-19, there has been a drop in yield of cane in major Sugar producing states except in small sugar producing regions of Tamil Nadu, AP, Punjab, Bihar, M.P. & Orissa.

Table 7: State-wise Recovery of Sugar in % of Cane

State	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
Maharashtra	11.29	11.33	11.25	11.24	11.27	11.28
U.P.	9.54	10.61	10.61	10.84	11.46	11.29
Karnataka	11.06	10.74	10.19	10.60	10.73	9.94
Gujarat	10.34	10.38	10.58	10.55	10.82	10.75
Tamil Nadu & Pondicherry	8.67	8.74	8.92	8.64	8.80	8.54
Andhra Pradesh	9.38	9.35	9.37	9.53	9.40	8.96
Punjab	9.42	10.06	9.78	9.78	10.14	9.59
Haryana	9.94	10.52	10.34	10.39	10.36	10.58
Bihar	9.18	9.77	9.21	9.58	10.39	10.79
M.P. & Chattisgarh	9.48	9.78	9.70	9.63	9.87	9.85
Uttarakhand	9.24	9.61	9.85	10.24	10.97	11.20

Year Sugar Year (Oct – Sept)

From above table, it can be seen that since the Year 2018-19, U.P. state has surpassed Maharashtra and is number one state in Sugar recovery now. These 2 states are followed by Uttarakhand, Bihar, Gujarat & Haryana in Sugar recovery.

All India Sugar Balance Sheet

Table 8: Domestic Production and Consumption

Unit : Million MT

Particulars	2014-15 (Actual)	2015-16 (Actual)	2016-17 (Actual)	2017-18 (Actual)	2018-19 (Actual)	2019-20 (Actual)	2020-21 (Estimated)
A. Total availability - All India - Sugar Season							
a) Opening Stock as on Oct 01	7.5	9.1	7.8	3.9	10.7	14.6	10.7
b) Production during season	28.3	25.1	20.3	32.5	33.2	27.4	31.0
c) Imports	0.0	0.0	0.4	0.2	0.0	0.0	0.0
Total supply availability	**35.8**	**34.2**	**28.5**	**36.6**	**43.9**	**42.0**	**41.7**
B. Total Sugar Offtake : All India - Sugar Season							
a) Internal consumption	25.6	24.8	24.6	25.4	25.5	25.3	26.0
b) Exports	1.1	1.7	0.05	0.5	3.8	5.95	6.5
Total Offtake	**26.7**	**26.5**	**24.6**	**25.9**	**29.3**	**31.3**	**32.5**
C. Closing Stock as on Sept 30 - All India	**9.1**	**7.8**	**3.9**	**10.7**	**14.6**	**10.7**	**9.2**
D. Stock as % of Internal Consumption (%)	**35.5**	**31.3**	**15.8**	**42.2**	**57.2**	**42.4**	**35.5**

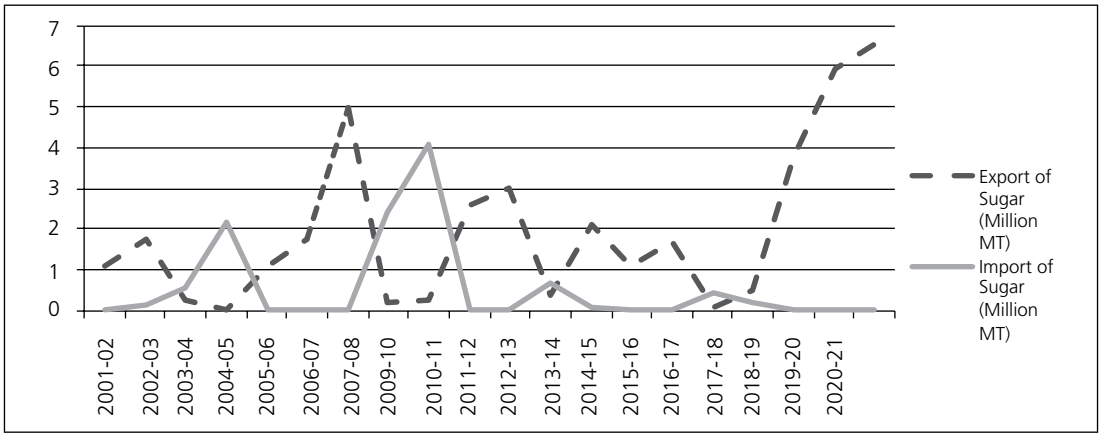
Year Sugar Year (Oct – Sept)

From the above table, following can be observed:-

- Country continues to produce Sugar higher than consumption and because of good export campaign, is managing to keep Sugar stocks in control.
- From the high of 14.6 Million MT Sugar opening stock during the year 2018-19, it is estimated that it will come down to the level of 9.2 Million MT by end of 2020-21.
- Sugar exports are estimated to rise upto the level of 6.5 Million MT during 2020-21 because of aggressive policy and assistance of the Government .
- Sugar internal consumption (dispatch from Mill) remained almost static from the level of 25.6 Million MT during 2014-15 to the level of 26.0 Million MT during 2020-21. As per trade, in between there are certain adjustments in trade pipeline stocks and also some demand contraction during 2019-20 on account of COVID issues.

Pattern of All India Sugar Exports / Imports

Chart 8: The pattern of All India Sugar Exports & Imports in graphical pattern since the Year 2001-02 is illustrated below:



Till the Year 2010-11, 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 2010-11, 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 2010-11 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 task in hand with Government has been to tackle the problem of Sugar surplus in system, ensure that Sugar prices don't fall below certain viable levels because of excess Sugar, ensure liquidity with Sugar Mills for cane payments.

Over the years Government had been aggressively promoting Export of Sugar, Export quota & assistance, promoting Ethanol as a fuel, promoting different raw materials for Ethanol like B heavy Molasses, Cane Juice, Syrup so as to have diversion of Sugar, maintaining price by defining Minimum Sale Price (MSP) and regulating Sugar supply in market by giving Mill-wise domestic monthly release.

Both Central & State Government had also been working on improvement in performance parameters of Industry like Sugar recovery, yield, development of new variety, sorting out logistics bottlenecks, trade efficiency, better relations between Sugar Mills & trade, working on all issues for supply of Ethanol to oil companies for wholesome improvement of Industry.

a) **Promoting Exports of Sugar**

It was a challenge for Government to increase Export of Sugar from the country in line with requirement of excess Sugar because of highly fragmented Industry, each state having its own problems, coastal and non-coastal states working under different conditions, logistics bottlenecks and lastly price mismatch between International and domestic price.

Furnished below is a snapshot since the Year 2018-2019 on Sugar exports where Government motivated the Industry by giving export quotas to Industry and also related assistance in different forms as under:-

Sugar Year 2018-2019

On 28th Sept, 2018, Government announced Mandatory Export Quota of 5.0 Million MT on All India basis to be exported during Oct 2018 – Sept 2019. The mandatory export quota of 5.0 Million MT was split amongst all Sugar Mills in country basis Sugar Production of last 3 years.

On 26th Sept, 2018, to boost Sugar Exports and for the purpose of offsetting cost of cane, Government announced 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 2018-19 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 worked out to apprx ₹ 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.

Sugar Year 2019-2020

For the year 2019-20, Government announced quota of 6.0 Million MT Sugar exports on All India basis with export subsidy details as under:-

- The Central Government agreed to provide a assistance @ ₹10,448 per Metric Tonne for expenses on export of sugar to the sugar mills in the following manner:-
  - ◊ For marketing including handling, quality up-gradation, de-bagging & re-bagging and other processing costs etc @ ₹4,400 per MT.
  - ◊ For internal transport and freight charges including loading, unloading and fobbing etc. @ ₹3,428.0 per MT.
  - ◊ For ocean freight against shipment from Indian Ports to the ports of destination countries etc @ ₹ 2,620 per MT.

Total estimated assistance worked out to the tune of ₹ 6,268.0 crore by the Central Government for export of 6.0 Million Tonne sugar.

Year 2020-2021

During the Year 2020-21, Government announced Maximum Admissible Export Quantities (MAEQ) of 6.0 Million MT and assistance of ₹ 6,000 per MT as under:-

- For marketing including handling, quality up-gradation, debagging & re-bagging and other processing costs etc. @ ₹ 1,600 per MT.
- For internal transport and freight charges including loading, unloading & fobbing, etc. @ ₹ 2,400 per MT.
- For ocean freight against shipment from Indian ports to the port of destination countries etc @ ₹ 2,000 per MT.

Flexibility / facility given by Government to Sugar Mills in exports

- Since Sugar Industry is highly fragmented and there are various small size mills, Government has allowed for export of Sugar through Merchant exporter.
- Since there are mills in non-coastal regions like U.P., Punjab, Haryana, etc. Sugar mills can export Sugar sourced from other Sugar mill (say in coastal region with lower logistics cost) either directly or through Merchant exporter and shall be eligible for export assistance.
- Government simplified the process as earlier Sugar Mills were to complete 100% of their Export Quota and obtain BRC for claiming export assistance. However, since 2019-20, Government allowed Sugar Mills to claim assistance after completing 50% of the quota allotted and were allowed to submit BRC later.
- This year Government allowed swapping of Export quota of a Sugar mill with domestic release quantity of other mill. This scheme got good response and a quantity of 1.05 Million MT has been swapped so far till April 21 month.
- Government has allowed supply of Sugar to Sugar refinery either based in (SEZ) Special Economic Zone or other port based refinery as export of sugar and allowing export assistance to Sugar mill.
- Supply of Sugar for export of biscuits, confectionery, any other item containing Sugar is considered as export of Sugar.
- Review of export performance: There is a process where periodically Government reviews export performance of Sugar mills and export quota of Sugar mills not exporting Sugar is transferred in phased manner to those Sugar Mills showing good performance and willing to export more. The overall idea is to ensure that allotted annual quota gets exported.
- Government allowed priority berthing for Sugar vessels to expedite Sugar loading and savings on demurrage.

Timely disbursal of export assistance is a limitation and fast payment of export assistance immediately after submission of documents will further motivate the Industry for exports.

b) Maintaining Sugar Price in market

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 6th June, 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 14th Feb, 2019, Government increased MSP of Sugar from the level of ₹ 29 per Kg to ₹ 31 per Kg.

During 2020-21, there had been various recommendations including Group of Ministers for increase in MSP of Sugar by ₹2.0 per Kg to ₹ 33.0 per kg but final approval of same is yet to come.

Industry body ISMA seeking price increase from existing ₹31 per kg to ₹34.5 per Kg.

c) Monthly Sales release mechanism

On one hand Government fixed Minimum Selling Price of Sugar, on other hand Government imposed Reverse stock limit on Sugar Mills to restrict supply of Sugar in market so that Sugar Mills are able to realize MSP / viable prices.

On 7th June, 2018, Government imposed reverse Stock limit on Sugar Mills stating that all producers of Sugar by vaccum 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 Release Quantity above which Sugar Mills cannot sell in domestic market.

The purpose of above order was to regulate supply of Sugar in market which is in excess due to consistent surplus production and thus to maintain the Prices.

d) Discouraging Sugar Imports

Since International Sugar Prices are lower than domestic prices and to avoid any Sugar Imports which country don't need, Government increased import duty on Sugar with details as under:-

- During July 2017, Government increased import duty on Sugar from existing rate of 40% to 50%.
- During Feb 2018, Government increased import duty on Sugar from 50% to 100% to completely rule out any import of Sugar.

There has been no import of Sugar in last 3 Sugar years since the Year 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) Buffer Stock / subsidy

Government had allowed buffer stock of 4.0 Million MT starting from 1st Augus, 2019 till 31st July, 2020. Government allowed buffer subsidy of 13.5% per annum which included Interest of max 12% per annum or actual as charged by bank (whichever is less) and Insurance including storage charges of 1.5% per annum.

Government had not allowed extension of buffer subsidy after expiry of same in month of July 2020.

f) Rationale in fixing Cane Price

State Advised Price (SAP)

Government showed rationale in fixing Cane price looking into the excess Sugar supply / depressed Sugar prices, improved yield, etc. Sugar year 2020-21 had been 3rd consecutive year in a row when the Cane SAP in state of U.P. remained unchanged at level of ₹ 315 per Qtl. for common variety of Cane, ₹ 325 per Qtl. for Early variety of cane and ₹ 310 per Qtl for rejected variety of cane.

Last increase in SAP was during the year 2017-18 when the SAP was increased by ₹ 10 per Qtl.

Fixed & Remunerative Price (FRP) : For the Sugar Year 2020-21, Central Government had increased the Cane FRP by ₹10 per Qtl from the level of ₹275 per Qtl. to ₹285 per Qtl. linked with 10% Sugar recovery.

For every 0.1 percent increase in Sugar recovery above 10 percent, a premium of ₹2.85 per Qtl will be paid by Sugar Mills.

Also, the government has made a provision for reduction in FRP by ₹2.85 per quintal for every 0.1 percentage point decrease in recovery, in respect of those mills whose recovery is below 10 per cent but above 9.5 per cent.

However, for mills having recovery of 9.5 per cent or below, the FRP is fixed at ₹270.75 per quintal.

g) 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.

Government has plans to increase Ethanol blending percentage to 20% by the Year 2025 which means annual supply of 9.0 billion litres as against this year estimated supply of 3.0 billion litres.

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 ambitious bio-fuel policy on other hand will be used to regulate Sugar Production and thus take care of excess Sugar in system.

h) Summary Ethanol Price fixed by the Government

Unit : ₹/ Litre

Year	C Molasses	B heavy Molasses	Cane Juice	Grain damaged
2016-2017	39.00	Not allowed	Not allowed	Not allowed
2017-2018	40.85	Not allowed	Not allowed	Not allowed
2018-2019	43.46	52.43	59.19	47.13
2019-2020	43.75	54.27	59.48	50.36
2020-2021	45.69	57.61	62.65	51.55

Year : Dec - Nov

(Damaged grain)

56.87
(Rice – FCI)

From above table, following can be observed:-

Government focus is on increasing Ethanol supplies for which on one hand Ethanol price has been increased so as to make it viable for Sugar Mills in line with cost, on other hand Government allowing other raw materials usages for Ethanol supplies.

During 2020-21, C Ethanol price has been increased from ₹43.75 per litre to ₹ 45.69 per litre means increase of 4.4 %, B Heavy Molasses Ethanol from ₹ 54.27 per litre to ₹ 57.61 per litre means increase of 6.15% and Cane juice Ethanol price from ₹59.48 per litre to ₹ 62.65 per litre means increase of 5.33 %.

Taking cognizance of cost of Ethanol from different Raw materials, Government has allowed different prices of same product "ETHANOL" basis the Raw material used as above.

This on one hand will boost the availability of Ethanol which is Green bio- fuel and part of Government ambitious bio-fuel policy, on other hand usage of raw material like B heavy Molasses and Cane Juice will help in reducing Sugar surplus.

For promoting Ethanol supplies from B heavy and Cane Juice, Government not only giving higher price for Ethanol but has also prioritized Ethanol made from Cane Juice and B heavy Molasses over C Molasses Ethanol in a particular state. However, first priority is given to suppliers within a state and if suppliers in state are not able to meet the requirement, supplies will be procured from other states.

For any Oil company depot at the time of allotting order within in the state, first priority is for Cane Juice Ethanol, followed by B heavy Molasses Ethanol then C Molasses / damaged Grain Ethanol.

During the Year 2018-19, as per estimates, 0.5 Million MT Sugar has been diverted towards Ethanol in form of B heavy Molasses, 2019-20 this figure has reached reach 0.8 Million MT which during the Year 2020-2021 is estimated at level of 2 Million MT.

Government is continuing with the policy of restriction on Imported alcohol for blending purpose.

i) Ethanol supply

For the Year 2020-21 (Dec-Nov), Government floated tender for a quantity of 457.60 crore litres against which LOI has been issued for a quantity of 325.93 Crore Litres and a quantity of 302.53 crore litres has been contracted. It is estimated that total contracts by end of current year will reach 350 crore litres.

Till April this year, country has achieved blending percentage of 7.36% while 11 major states Uttar Pradesh, Maharashtra, Karnataka, Uttarakhand, Bihar, Haryana, Punjab, Delhi, Goa, Gujarat and Himachal Pradesh have achieved even higher blending percentage of upto 10%.

Further new Ethanol manufacturing capacities are added every year for which Government also disbursing soft loans.

In order to boost Ethanol supplies from alternate feed stocks, Government is also pushing 2G Ethanol which will be manufactured from cellulosic waste. Public Sector Oil companies are in process of setting up their own 2G Ethanol plants for generation of Ethanol for their requirement of blending with Petrol.

While, GST of all Alcohol Products is 18%, on Ethanol meant for blending with Petrol, GST has been reduced to 5% which was done during July 2018.

Now, Government need to increase blending percentage from existing level of 10% to 12-15% on immediate basis so as to accommodate increasing supply of Ethanol nearer to source for which understandably Government is working.

j) Soft loans for Ethanol

As per Government note August 2020, Government has allowed soft loan to the tune of ₹18,600 crore to 362 projects for purpose of establishing new Distilleries, installation of Incineration boiler, dual feed Distillery, etc. Out of 362 projects, 349 are Sugar mills and 13 are standalone distilleries involving interest subvention of ₹ 4,045 crore.

The interest subvention is allowed @ 6% or 50% of bank rate whichever is lower for a period of 5 years with one year moratorium period.

The above soft loan has served 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.

Government had further opened the window for taking soft loans for Ethanol capacity on 15th September, 2020 and then on 14th January, 2021 where further loan sanctions have been done.

Number of projects were stuck up because banks were not ready to lend money because of weak balance sheets / stressed assets. Government pushing the banks to lend money to such stressed assets as well where they have initiated a process of tri-partite agreement between Distillery, Banks and Oil companies for such purpose.

k) IDR Act / State Excise fees & Procedures on Ethanol

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 number of states scrapped / 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.

Some of the states having followed the Karnataka in scrapping state fees and relaxing / waiving Excise control are state of Gujarat, Chattisgarh, Punjab, Haryana, Goa, Maharashtra, Delhi, M.P., U.P..

Industry is taking up the matter with various State Governments including Rajasthan prominent buyer for U.P. Distilleries 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 6 years, year 2014-15 (Oct – Sept), the results of continued investment in Cane development are visible in form of increased availability of better variety of cane and better Sugar recovery.

Group's average Sugar recovery during last 6 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 :	11.52%
2019-2020 :	11.61%

In above table, the efforts of the Group are clearly visible towards Cane development and quality promotion and in last 6 years Sugar recovery has improved by almost 23.4% from the level of 9.41 to estimated level of 11.61% during current year.

From the year 2020-21 onwards, BHSL has started producing B heavy Molasses because of which while Sugar recovery will come down, group shall be producing more Ethanol for which price for B heavy slot is applicable which is higher than C Ethanol in line with the cost.

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 which is affecting the availability of cane to Group.

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 at times led to complete mismatch between the cane price and sugar realisations.

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 market.

Industry is pushing hard to further increase the said MSP to the level of ₹ 34 - 35 per Kg. Group of Ministers had already recommended increase in MSP to ₹33 per kg last year which is yet to be finally approved.

So, while, there is a Sugar Price risk there is Government intervention / control 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.

From Sugar Year 2020-21, we have started diverting Sugar for manufacturing of Ethanol in form of B heavy Molasses which will reduce Sugar production and help in achieving higher production of Ethanol. 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	2019-2020	2018-2019	2017-2018	2016-2017
BHSL Production	Million MT	1.94	1.83	1.82	1.33
UP Production	Million MT	12.64	11.82	12.05	8.80
All India Production	Million MT	27.41	33.16	32.48	20.30
BHSL % of UP	%	15.35	15.48	15.10	15.11
BHSL % of All India	%	7.08	5.52	5.60	6.55

From the above figures, it can be seen that in state of U.P. BHSL is maintaining its share of 15% plus. On All India basis BHSL share has increased from 6.55% during the Year 2016-17 to 7.08% during 2019-20.

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: Zone-wise details of crushing capacity

ZONE	NO. OF MILLS	CRUSHING CAPACITY (TCD)
West	5	48,000
Central	5	48,000
East	4	40,000
Total	**14**	**1,36,000**

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.

Due to consistent higher Sugar production in the state and by the Group, 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., Gujarat, North East states and at times to Haryana, Orissa. 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 East 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, Gujarat, A.P., Tamil Nadu. For movement of sugar to neighboring 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

Since Sugar imports are not viable and not happening so no competition from Imported Sugar.

Table 11: High & Low Price (Realisation) of Sugar - BHSL

Unit : ₹/ Qtl.

	April 2020 – March 2021	
Month	**Low Price**	**High Price**
April	3053	3344
May	3058	3200
June	3078	3490
July	3168	3405
August	3160	3401
September	3143	3403
October	3055	3381
November	3048	3371
December	3054	3355
January	3048	3326
February	3053	3331
March	3068	3303

a) Refined sugar is not taken in consideration.

b) Only M-31 50 Kg rate is taken.

d) Sugar dispatches through rake is also not considered as the sale confirmed in a month is dispatched next month.

IV. Internal Control System and their Adequacy

An effective Internal Control system provides reasonable assurance about policies, processes, tasks, behaviours and other aspects of an organisation, taken together, to facilitate its effective and efficient operation, help to ensure the quality of Internal and external reporting, and help to ensure compliance with applicable laws and regulations. The Internal Control should be such that it increases the transparency and accountability in an organisation's process of designing and implementing a system of Internal Control by identifying and analysing various risks and preparing Action plan to overcome that risks. This includes implementation of policies & procedures, safeguarding of its Assets, prevention & timely detection of Frauds, orderly & efficient conduct of its business and preparing reliable financial information. BHSL Internal Control system is commensurate to its size of business and nature of its operations. BHSL has in place an adequate system of Internal Controls that has been designed to ensure that all the transactions are authorised, recorded and reported correctly. Accounting procedures and policies are 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 perusal.

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 fulfilment in an open culture as per the "HR Vision (Our edge is our people, what we consciously do as management is to encourage such people who dare and provide them room-not square feet – to dream it)" and also 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, 2021, BHSL had 7,621 employees. The various HR initiatives carried out by the Company during the year are listed below:

Training Programmes :-

- Training & Development - During the year 2020-21, HR dept. had organised various Training programmes through the involvement of 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 28–30 persons attended such training programme session. The major topics covered by our internal training faculty were on Irrigation and Pest Control techniques, Cane Centre Mgmt, Cane sowing, Safety, Awareness on Health & Occupational Diseases, House-keeping, Fire fighting, Environment, Health & Occupational Hazards, Energy Conservation, GST, Computer Awareness, Statutory Compliances, etc.

- 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 power-point 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), various type of children's events like Drawing 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. 1900 students. School is running as a creative centre for learning and development. It has provided employment to more than 150 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, distribution of masks, sanitization 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 subsidized rates to the farme₹

   e) In winters, lighting Alao at every Chauraha by distributing bagasses.

   f) Fogging and Spray for mosquito and prevention of COVID in nearby villages.

   g) Health check-up camp by local hospital were held at offices & units, wherein a team comprising specialized Doctors i.e. Medicines & Eye, 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, 2020 to March 31, 2021

Table 12 : Operational data

	Unit	**Year ended March 31, 2021**	Year ended March 31, 2020
Cane Crushing	MMT	**15.603**	15.845
Sugar Recovery	%	**11.06**	11.65
Sugar Production - From Cane	MT	**17,25,981**	18,45,270
Industrial Alcohol Production	KL	**90,903**	57,221
Molasses Production – C	MT	**5,32,403**	7,12,011
Molasses Production – B-Heavy	MT	**2,51,560**	-
Power Generation	000 Units	**7,51,431**	7,80,522

During the year, the production of sugar from sugarcane was at 17,25,981 MT as compared to 18,45,270 MT during the previous year. The production of molasses-C was at 5,32,403 MT and molasses B-heavy was at 2,51,560 MT as compared to 7,12,011 MT molasses-C in the previous year. The industrial alcohol / ethanol production was at 90,903 KL as compared

to 57,221 KL in the previous year. Power generation was at 751.43 Million Units (MUs) as compared to 780.52 MUs in the previous year. Average recovery of sugar from sugarcane 11.06 % during the current year as compared to 11.65% in the previous year.

Results of operations

Table 13: Summarised financial results

₹ Crore

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Revenue	**6,688.20**	6,676.61
Earnings before interest depreciation and tax (EBIDTA)	**195.57**	408.89
Finance Costs (Net)	**263.09**	300.75
Cash profits	**(67.52)**	108.14
Depreciation & amortisation	**215.16**	215.87
Profit/(Loss) before tax	**(282.68)**	(107.73)
Tax expenses	**(3.08)**	(2.36)
Profit/(Loss) after tax	**(279.60)**	(105.37)
Basic and Diluted earnings per share (₹)	**(2.54)**	(0.96)

Turnover

During the year ended March 31, 2021, the Company's total revenue was ₹ 6,688.20 crore as against ₹ 6,676.61 crore in the previous year.

Analysis of sales

During the year, the Company sold 18,52,660 MT of sugar as against 18,70,362 MT during the previous year. The Company sold 4,23,397 MT of molasses as against 4,65,568 MT in the previous year. However, alcohol/ethanol sales during the year was at 84,262 KL as against 62,174 KL during the previous year.

The Company exported 186.66 MUs of power during the year as against 217.94 MUs during the previous year. Product-wise sales quantity, value and per unit realization details are given in Table 14:

Table 14: Sales revenue

Particulars	Year ended March 31, 2021				Year ended March 31, 2020		
	Unit	Qty	Value ₹ Crore	Realisation* ₹/MT/KL/ 000 Units	Qty	Value ₹ Crore	Realisation* ₹/MT/KL/ 000 Units
Sugar	MT	**18,52,660**	**5,930.57**	**32,011**	18,70,362	6,100.03	32,614
Alcohol/Ethanol	KL	**84,262**	**397.00**	**47,115**	62,174	258.90	41,641
Molasses	MT	**4,23,397**	**156.90**	**3,706**	4,65,568	160.06	3,438
Power	000 Units	**1,86,664**	**58.54**	**3,136**	2,17,940	68.51	3,144

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 lease rent of ₹ 10.91 crore, sale of pesticide of ₹ 44.63 crore, sale of scrap of ₹ 5.05 crore, sale of export licenses of ₹ 50.48 and other miscellaneous operating income of ₹ 5.47 crore.

Other income

Other income for the current year was ₹ 16.53 crore (including interest income of ₹ 0.89 crore, and other miscellaneous income was at ₹ 15.64 crore) as against ₹ 11.01 crore (including interest income of ₹ 0.91 crore, Gain due to foreign exchange fluctuation (net) was ₹ 0.49 crore and other miscellaneous income of ₹ 9.61 crore).

Other expenses

During the year, other expenses were ₹ 674.01 crore as against ₹ 484.39 crore in the previous year.

Earnings before interest, depreciation, tax and amortisation (EBIDTA)

The EBIDTA for the current year at ₹ 195.57 crore as against ₹ 408.89 crore in the previous year.

Finance costs

Finance cost for the current year was ₹ 263.09 crore as against ₹ 300.75 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 ₹ 215.16 crore as against ₹ 215.87 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, 2021 is given in Table 15.

Table 15 : Summarised balance sheet

₹ Crore

As at	March 31, 2021	March 31, 2020
ASSETS		
Non-current assets		
Fixed assets		
Property, plant and equipment	**6,985.26**	7,178.15
Right of use assets	**6.78**	9.44
Capital work-in-progress	**25.17**	43.07
Intangible assets	**0.00**	0.00
Non-current investments	**140.24**	191.68
Other non-current financial assets	**3.98**	2.07
Other non-current assets	**13.55**	14.14
Sub total	**7,174.98**	7,438.55
Current assets		
Inventories	**2,541.34**	2,711.39
Financial assets		
Current Investments	**770.13**	770.13
Trade receivables	**218.73**	173.18
Cash and cash equivalents	**63.00**	100.69
Bank balances	**8.89**	10.49
Loans	**2,091.29**	2,091.29
Current tax assets (net)	**5.38**	4.26
Other current assets	**805.33**	789.32
Sub total	**6,504.09**	6,650.75
Total assets	**13,679.07**	14,089.30
EQUITY AND LIABILITIES		
Shareholders' Fund		
Equity	**110.07**	110.07
Other equity	**2,830.84**	3,144.21
Sub total	**2,940.91**	3,254.28
Non-current liabilities		
Financial liabilities		
Borrowings	**4,802.32**	5,139.53
Other financial liabilities	**4.84**	7.28
Provisions	**76.58**	69.26
Deferred tax liabilities (net)	**590.94**	610.07
Other non-current liabilities	**35.84**	25.98
Sub total	**5,510.52**	5,852.12

₹ Crore

As at	March 31, 2021	March 31, 2020
Current liabilities		
Financial liabilities		
Trade payables	**4,459.92**	4,439.52
Other financial liabilities	**596.76**	390.16
Other current liabilities	**154.77**	139.71
Short-term provisions	**16.19**	13.51
Sub total	**5,227.64**	4,982.90
Total equity and liabilities	**13,679.07**	14,089.30

Share capital

There was no change in share capital.

Other equity

Other equity has decreased to ₹ 2,830.84 crore as at March 31, 2021 from ₹ 3,144.21 crore as at March 31, 2020 mainly due to loss for the year ₹ 279.60 crore and change of other comprehensive income by ₹ 33.60 crore and utilisation of fund for maintenance of molasses tank by ₹ 0.17 crore.

Non-current borrowings

Long-term borrowings was at ₹ 4,802.32 crore as at March 31, 2021 as against ₹ 5,139.53 crore in the previous year ended March 31, 2020.

Current borrowings

There was no Short-term borrowing during the year as at March 31, 2021 and March 31, 2020.

Property, plant and equipment

Gross Block has increased to ₹ 10,653.99 crore from ₹ 10,636.11 crore, on account of routine capitalisation/decapitalisation during the year. The net block stood at ₹ 6,992.04 crore as against ₹ 7,187.59 crore.

Investments

Investment was at ₹ 140.24 crore as at March 31, 2021 as against ₹ 191.68 crore in the previous year ended March 31, 2020. The changes are mainly due to provision for diminution of value of investment of Phenil Sugar Limited.

Inventories

The inventory of sugar at the end of the current year was 6,63,723.20 MT equivalent to 165 days' sales as compared to 194 days' sales in the previous year. Alcohol inventory at the end of the current year was 10,863 KL equivalent to 34 days' sales as compared to 15 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 12 days' of sales as compared to 9 days' of sales in the previous year ended March 31, 2020. The increase in days is due to increased sale of alcohol and some bulk sale of sugar as compared to previous year. All the debtors are good and realizable. Significant non-recurring income, expenditure and other items

Income

Provision no longer required/credit balance appropriated ₹ 0.17 crore and miscellaneous receipts ₹ 15.46 crore were of a non-recurring nature.

Expenditure

The loss on assets sold/discarded ₹ 0.38 crore is of a non-recurring nature.

Contingent liabilities

The status of contingent liabilities as at March 31, 2021 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)	Ratio (Previous Year)	Variance (%)	Reasons for significant variance
Debtors Turnover ratio	33.45	34.82	(4)	N.A.
Inventory Turnover Ratio	2.50	2.41	3	N.A.
Interest Coverage Ratio	1.39	1.43	(-3)	N.A.
Current Ratio	1.24	1.34	(7)	N.A.
Debt Equity Ratio	1.83	1.69	9	N.A.
Operating Profit Margin Ratio	3.02%	7.22%	(58)	N.A.
Net Profit Margin Ratio	(4.27)%	(1.60)%	(167)	
Return on Net Worth	(9.51)%	(3.24)%	194	-do-

Lower operating margin in the current year as compared to previous year due to Lower sugar realization and higher input cost.

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, 2021 are given in Table 17:

Table 17: Cane crushing, sugar recovery and sugar production

Plant Location	Zone	2020-21			2019-20		
		Cane Crushing (MMT)	**Sugar Recovery (%)**	**Sugar Production (Tonnes)**	Cane Crushing (MMT)	Sugar Recovery (%)	Sugar Production (Tonnes)
Gola Gokarannath	Central UP	**1.943**	**10.90**	**2,11,852**	1.977	11.93	2,35,818
Palia Kalan	Central UP	**1.432**	**11.03**	**1,57,970**	1.473	10.93	1,61,093
Khambarkhera	Central UP	**1.278**	**10.18**	**1,30,157**	1.424	11.94	1,69,963
Barkhera	Central UP	**1.060**	**11.76**	**1,24,563**	0.983	12.11	1,19,105
Maqsoodapur	Central UP	**0.731**	**11.37**	**83,123**	0.879	11.98	1,05,244
Kinauni	Western UP	**1.875**	**11.80**	**2,21,190**	1.715	11.92	2,04,549
Thanabhawan	Western UP	**1.558**	**10.80**	**1,68,199**	1.380	11.72	1,61,679
Budhana	Western UP	**1.490**	**11.65**	**1,73,679**	1.396	11.80	1,64,705
Bilai	Western UP	**1.514**	**12.33**	**1,86,662**	1.258	12.36	1,55,596
Gangnauli	Western UP	**1.104**	**10.35**	**1,14,267**	0.886	11.27	99,815
Pratappur	Eastern UP	**0.147**	**9.68**	**14,267**	0.258	10.26	26,497
Rudhauli	Eastern UP	**0.199**	**7.35**	**14,624**	0.495	9.56	47,343
Utraula	Eastern UP	**0.441**	**8.93**	**39,357**	0.664	11.17	74,146
Kundarkhi	Eastern UP	**0.831**	**10.36**	**86,071**	1.056	11.34	1,19,717
Total		**15.603**	**11.06**	**17,25,981**	15.845	11.65	18,45,270

A Note on sacrifice of Sugar for Heavy B Mollasses

Out of total cane crushing of 15.60 MMT, the company crushed 3.92 MMT cane from B heavy molasses route which amounts to 25.09% of the total cane crushed. Diversion of sugarcane for B heavy molasses route resulted in reduction of sugar recovery by 1.64%, and approximate sugar loss of 0.64 lac MT. This has resulted in increased production of ethanol.

Distillery division

The distillery division produced 90,903 KL (includes 29,335 KL of Ethanol produced from heavy B molasses) of industrial alcohol/ethanol during the current year against 57,221 KL in the previous year. Likewise alcohol/ethanol sales aggregated during the current year at 84,262 KL (includes sales of 24,970 KL of ethanol produced from heavy B molasses) against 62,174 KL in the previous year. In value terms, the sale of industrial alcohol/ethanol during the year is ₹ 397.00 crore (includes sales of ₹ 143.81 crore of ethanol produced from heavy B molasses) as against ₹ 258.90 crore in the previous year.

Power division

The sale of power was recorded at ₹ 58.54 crore in the current year as against ₹ 68.51 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 2020-21

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, 2020 to March 31, 2021
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 1,13,35,59,942 equity shares of ₹1/- each.
2. **Total Turnover (INR)** : ₹ 6,688.20 crore
3. **Total profit/(loss) after taxes (INR)** : ₹ 279.60 crore
4. T**otal 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, 2021.

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 : Managing Director

(b) Details of the BR head:

Sr. No.	Particulars	Details
1	DIN (if applicable)	02608184
2	Name	Mr. Ashok Kumar Gupta
3	Designation	Managing Director
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 Affai₹								
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 Managing Director assesses 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 11 complaints from its shareholders and all 11 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 VIII 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 Sugarcane 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. (EHS)

Principle 3: Employee Wellbeing

1. Please indicate the total number of employees: 7,621
2. Please indicate the total number of employees hired on temporary/contractual/casual basis: 3,521
3. Please indicate the number of permanent women employees: 7
4. Please indicate the number of permanent employees with disabilities: Nil
5. Do you have an employee association that is recognised by management: No
6. What percentages of your permanent employees are members of this recognised 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: 44%
   (b) Permanent Women Employees: 0%
   (c) Casual/Temporary/Contractual Employees: 12%
   (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 stakeholde₹ 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 stakeholders' 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/othe₹**

   The Policy not only covers the Company but also cover the stakeholders and contracto₹

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 (Ethanol).

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.

   The Company produces energy from bagasse which is a renewable resource as well as we have also produced the energy from concentrated effluent (which is called SLOP), a renewable biomass resource at our three distillery units and we are in process of installation of incinerator boiler for the generation of stream an power at remaining distillery units. In the incinerator the concentrated effluent (SLOP) is used as fuel which is also source of biomass for the generation of power.

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.**

   We have addressed all the show cause notices received related to pollution matters well in time with suitable replies and evidences of compliance done w.r.t. directions issued. No reply of 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) The Sugar Technologists Association of India.

   (b) All India 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 ₹ 6.87 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 signages 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 2019-20	Remarks
Alleged Unfair Trade Practice	Nil	Nil	
Alleged Irresponsible Advertising	Nil	Nil	
Alleged Anti Competitive Behaviour	1	1	A case was filed in the year 2013 against various Sugar Companies including Bajaj Hindusthan Sugar Limited for alleged contravention of the provisions of the Competition Act, 2002 in respect of the joint tender floated by Oil marketing companies for supply of ethanol. The Competition Commission of India (CCI) imposed a penalty of ₹ 12.35 crore which subsequently had been stayed by National Company Law Appelate Tribunal (NCLAT) after payment of 10% of penalty amount. The matter is currently subjudice in NCLAT.

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, 2021 – Certification by CEO and CFO

We, Ashok Kumar Gupta, 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, 2021 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, 2021, 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.

Sd/-

Ashok Kumar Gupta
Managing Director
(DIN: 02608184)

Sd/-

Alok Kumar Vaish
Chief Financial Officer

Place : Mumbai
Dated : June 08, 2021

Independent Auditors' Report

To the Members of Bajaj Hindusthan Sugar Limited

Report on the Audit of the Standalone Financial Statements

Qualified Opinion

We have audited the standalone financial statements of Bajaj Hindusthan Sugar Limited ("the Company"), which comprise the standalone balance sheet as at March 31, 2021, and the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (Collectively referred to as 'standalone financial statements').

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 financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs (financial position) of the Company as at March 31, 2021, and its loss (financial performance including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

We draw attention to Note No. 35(I)(e) to the standalone financial statements, regarding the non-provision of contractual obligation related to 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, 2021 amounting to ₹ 461.10 crore. The aggregate liability for such YTM from the date of allotment of OCDs till year ended March 31, 2021 is ₹ 1,390.12 crore from date of allotment of OCDs. Had such interest been provided, the reported net loss for the year ended March 2021 would have been ₹ 740.70 crore and Net worth of the Company would have been ₹ 1,550.79 crore.

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

Material Uncertainty related to Going Concern

As stated in Note No. 48 of the standalone financial statements, the Company during the last few years has incurred losses due to high raw material cost and lower price of finished goods, resulting into reduction of net worth of the Company. The Company has dues payable to farmers for sugar cane purchases at year end. The Company is continuously striving for improvement in the operational efficiency in other parameters. The above factors indicate a material uncertainty, which may cast significant doubt about the Company's ability to continue as a going concern. The Company continues to operate at optimum levels and expects improvement in the operational efficiency in the form of improvement in sugar recovery, reduction of overheads, finance and other costs, monetisation of certain non-core assets etc. The debt restructuring as per RBI's S4A Scheme, would result into improved liquidity during the next 7 years and the Government has taken different measures to improve the financial health of sugar industry. All these measures are expected to turnaround the operations of sugar industry on sustainable basis. The Company also expects to receive accrued benefits under the Sugar Industries Promotion Policy 2004 for which it is entitled to. In view of the above, the management expects to generate positive cash flow from operation and 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.

Our opinion is not modified in respect of the above matter.

Emphasis of Matter

a) As stated in Note No. 44 to the standalone financial statements, the Company has exposure aggregating to ₹ 1,683.35 crore, in its three wholly-owned subsidiaries and ₹ 598.04 crore in other companies, aggregating to ₹ 2,281.39 crore, by way of investments, loans, accumulated interest on these loans, and receivables. Management is of the view that sufficient efforts are being undertaken to revive the said subsidiaries in the foreseeable future so as to recover carrying value of the investments, loans, receivables, and the diminution/provisions, if any exists, is only of temporary nature. Further management believes that the investments made, loans given and receivable due from other companies are also considered good and recoverable / realizable based on the future business plan of these companies, and on-going efforts towards obligation casted on the Company and its promoters to recover the outstanding loans in phased manner and accordingly no provision, other than those already accounted for, has been considered necessary.

b) We draw your attention to Note No. 47 to the standalone financial statements which explain the uncertainties and the management's assessment of the financial impact due to the lockdowns and other restrictions and conditions related to COVID-19 pandemic situation, for which a definitive assessment of the impact in the subsequent period is highly dependent upon the circumstances as they evolve.

Our opinion is not modified in respect of these matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone 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 matter described below to be key audit matters to be communicated in our report.

The Key Audit Matters	How the matter was addressed in our audit
Impairment assessment for Investments, loans and interest on loan and receivables	
The Company has exposure aggregating to ₹ 1,683.35 crore, in its three wholly-owned subsidiaries and ₹ 598.04 crore in other companies, aggregating to ₹ 2,281.39 crore, by way of investments, loans, accumulated interest on these loans and receivables. Such investments / loans / receivables 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 16.68% of the total assets as at March 31, 2021 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 included the following: - Obtained understanding of the process, evaluated the effectiveness of controls in respect of impairment assessment of investments. - Held discussions with management regarding appropriate implementation of policy on impairment. Evaluated the future business plan and available valuation report. - Confirmations for above exposure. - Validated the S4A Restructuring Scheme clause related to obligation on the Company to recover the loan amount. - We evaluated the impairment assessment performed by management taking into account the requirements of Ind AS 36 Impairment of Assets
Physical Verification of inventory	
Physical verification of closing inventory done by the management as on March 31, 2021 was not attended by us and subsequent to the year-end we have done alternative procedures due to the restrictions imposed on account of COVID-19.	We have carried out following procedures with respect to the existence of Inventory at the yearend: - Evaluated the design and implementation of the controls over physical verification of inventory and tested the operating effectiveness of these controls during the interim periods. - Obtained reports of the internal auditor of the Company for inventory verification process. - Verified the instructions provided by the management to those independent firms. Evaluated the differences identified by these internal auditor during their physical verification of inventories and it was noted that there were no major deviations found. - Verified the memorandum register related to stock maintained by the stock departments and signed by the person in charge, as on the date of the verification.

Other Information

The Company's management and Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility 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 in the 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.

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

The Company's management and Board of Directors are 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 (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management and Board of Directors are 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 the Board of Directors 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 Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 Standards on Auditing ('SAs'), we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone 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 Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
    a. We have sought and except for the matter described in Basis for Qualified Opinion section, 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 matter 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 Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including other comprehensive income), the Standalone Statement of Changes in Equity and the Standalone Cash Flow Statement dealt with by this Report are in agreement with the books of account.
    d. In our opinion, except for the matter described in Basis for Qualified Opinion section, the aforesaid standalone financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act read with Companies (Indian Accounting Standard) Rules 2016.
    e. The matters described in 'Basis for Qualified Opinion' paragraph and the Going concern matter described under Material Uncertainty related to Going Concern paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.
    f. On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164(2) of the Act.
    g. The reservation relating to maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified opinion paragraph.
    h. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
    i. With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act:

        In our opinion and according to the information and explanations given to us, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by provisions of section 197 read with Schedule V to the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) of the Act which are required to be commented upon by us.
    j. 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 35 to the standalone financial statements.
        ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
        iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **R S Dani & Co**
Chartered Accountants
Firm Registration No. 000243C

C P Kothari
Partner
Membership No. 072229

Ajmer
Dated: June 08, 2021

Annexure 'A'

Annexure referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) As explained to us, 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 free hold 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) The Inventories of finished goods, stores, spare part and raw materials have been physically verified by the management. In our opinion the frequency of verification is reasonable. On the basis of our examination of the records of inventory, we are of the opinion that the discrepancies noticed on verification between the physical stocks and book records were not material and have been properly dealt with in the books of accounts.

(iii) The According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.

(iv) In our opinion and according to the information and explanations given to us, the Company has not advanced loans to directors / to a company in which the Director is interested to which provisions of section 185 of the Act apply and hence not commented upon. In our opinion and according to the information and explanations given to us, provisions of section 186 of the Act in respect of loans and advances given, investments made and, guarantees, and securities given have been complied with by the Company to the extent applicable to it.

(v) According to the information and explanations given to us, the company has not accepted any deposit from the public within the meaning of section 73 to 76 of the Act and the rules framed thereunder. Therefore, the provision of clause 3(v) of the Order is 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) (a) According to records of the Company, the Company has been generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Service-tax, Goods and Service tax, Custom Duty, Excise Duty, Value Added tax, Cess and other statutory dues to the extent applicable to it.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Service tax, Goods and Service tax, Sales-tax, Customs Duty, Excise Duty, Value Added tax, Cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of income tax, sales-tax, service tax, Goods and Service tax, customs duty, excise duty and value added tax which have not been deposited with the appropriate authorities on account of any dispute except as shown below:

(₹ in crore)

Name of the Act	Nature of dues	Amount under disput	Period to which the amount relates (Financial year)	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	1.38	Various year from 2011-12 to 2019-20	Commissioner of Sales Tax/VAT
		47.21	Various year from 1982-83 to 2013-14	Sales Tax Appellate Tribunal
		3.36	Various year from 1990-91 to 2010-11	High Court

(₹ in crore)

Name of the Act	Nature of dues	Amount under disput	Period to which the amount relates (Financial year)	Forum where dispute is pending
Central Excise Act, 1944 Appellate Tribunal	Excise and Service Tax	0.01	Various year from 2009-10 to 2017-18	Commissioner of Central Excise (Appeals)
		0.07	1981-82	Central Excise and Service Tax
		5.59	Various year from 2004-05 to 2005-06	Supreme Court

(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 and banks during the year related to principal loans amount and interest on loans and to debenture holders for interest on debenture. The lender-wise details of the delays made by the Company as on March 31, 2021 is tabulated as under: -

Name of Bank / Institution	Principal			
	No. of Days (Range)		Amount (₹ in crore) (Range)	
	Min	Max	Min	Max
Bank of Baroda	4	54	0.04	1.73
Bank of India	5	54	0.02	1.73
Bank of Maharashtra	5	59	0.00	4.35
Canara Bank	5	55	0.02	4.35
Central Bank of India	3	50	0.01	3.00
IDBI Ltd	5	42	0.00	4.45
Indian Bank (er- Allahabad Bank)	5	57	0.27	4.69
Indian Overseas Bank	5	41	0.06	2.62
Punjab National Bank	5	40	0.08	3.28
Punjab National Bank (er- OBC)	5	51	0.20	3.81
State Bank of India	1	30	0.01	4.03
UCO Bank	12	49	0.50	3.90
Union Bank (er-Corporation Bank)	5	50	0.10	2.24

Name of Bank / Institution	Interest			
	No. of Days (Range)		Amount (₹ in crore) (Range)	
	Min	Max	Min	Max
Bank of Baroda	1	23	0.01	0.50
Bank of India	1	23	0.00	0.27
Bank of Maharashtra	1	28	0.03	1.35
Canara Bank	1	23	0.00	1.00
Central Bank of India	1	28	0.01	0.93
IDBI Ltd	1	26	0.01	1.32
Indian Bank (er- Allahabad Bank)	1	26	0.00	1.31
Indian Overseas Bank	1	23	0.01	0.42
Punjab National Bank	1	27	0.05	2.08
Punjab National Bank (er- OBC)	1	31	0.02	0.61
State Bank of India	1	3	0.01	4.35
UCO Bank	1	31	0.00	0.64
Union Bank (er-Corporation Bank)	4	26	0.01	0.36

(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 upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud on or by the officers and employees of the Company has been noticed or reported during the year.

(xi) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that the managerial remuneration has been paid / 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, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.

(xiii) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Act, where applicable and the details have been disclosed in the notes to the standalone financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence not commented upon.

(xv) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him.

(xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For **R S Dani & Co**
Chartered Accountants
Firm Registration No. 000243C

C P Kothari
Partner
Membership No. 072229

Ajmer
Dated: June 08, 2021

Annexure 'B'

Annexure to the independent auditor's report of even date on the Standalone Financial Statements of Bajaj Hindusthan Sugar Limited

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

Qualified Opinion

We have audited the internal financial controls with reference to financial statements of Bajaj Hindusthan Sugar Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

According to the information and explanations given to us and based on our audit, the following material weakness has been identified as at March 31, 2021:

The Company has not provided the premium payable on Optionally Convertible Debentures (OCDs) at the time of redemption of OCDs as a contractual obligation.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control with reference to financial statements, such that there is a reasonable possibility that a material misstatement of the Company's annual or interim financial statements will not be prevented or detected on a timely basis.

We have considered material weakness identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit for the year ended March 31, 2021, and these material weaknesses affect our opinion on financial statements of the Company for the year ended March 31, 2021.

In our opinion, except for the effects / possible effects of the material weakness described above under Qualified Opinion paragraph on the achievement of the objectives of the control criteria, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls were operating effectively as on March 31, 2021, based on the internal financial control with reference to financial statements 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 ("the Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 with reference to financial statements was established and maintained and whether 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, 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 Judgment, including the assessment of the risks of material misstatement of the standalone 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 qualified audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial control with reference to financial statements 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 with reference to financial statements 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 with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **R S Dani & Co**
Chartered Accountants
Firm Registration No. 000243C

C P Kothari
Partner
Membership No. 072229

Ajmer
Dated: June 08, 2021

BALANCE SHEET AS AT MARCH 31, 2021

Particulars	Note	As at March 31, 2021 ₹Crore	As at March 31, 2020 ₹Crore
ASSETS :			
Non-current assets			
Property, plant and equipment	3	**6,985.26**	7,178.15
Right of use assets	3	**6.78**	9.44
Capital work-in-progress	3	**25.17**	43.07
Other intangible assets	3	**-**	-
Financial assets			
Investments	4	**140.24**	191.68
Other non-current financial assets	5	**3.98**	2.07
Other non-current assets	6	**13.55**	14.14
Sub total		**7,174.98**	7,438.55
Current assets			
Inventories	7	**2,541.34**	2,711.39
Financial assets			
Current investments	8	**770.13**	770.13
Trade receivables	9	**218.73**	173.18
Cash and cash equivalents	10	**63.00**	100.69
Bank balances	11	**8.89**	10.49
Loans and interest accrued	12	**2,091.29**	2,091.29
Current tax assets (net)	13	**5.38**	4.26
Other current assets	14	**805.33**	789.32
Sub total		**6,504.09**	6,650.75
Total assets		**13,679.07**	14,089.30
EQUITY AND LIABILITIES :			
Equity			
Equity share capital	15	**110.07**	110.07
Other equity	16	**2,830.84**	3,144.21
Sub total		**2,940.91**	3,254.28
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	17	**4,802.32**	5,139.53
Other financial liabilities	18	**4.84**	7.28
Provisions	19	**76.58**	69.26
Deferred tax liabilities (net)	20	**590.94**	610.07
Other non-current liabilities	21	**35.84**	25.98
Sub total		**5,510.52**	5,852.12
Current liabilities			
Financial liabilities			
Trade payables			
Total outstanding micro enterprises and small enterprises	22	**19.72**	7.97
Total outstanding other than micro enterprises and small enterprises	22	**4,440.20**	4,431.55
Other financial liabilities	23	**596.76**	390.16
Other current liabilities	24	**154.77**	139.71
Provisions	25	**16.19**	13.51
Sub total		**5,227.64**	4,982.90
Total equity and liabilities		**13,679.07**	14,089.30

See accompanying notes "1" to "51" to the financial statement.

As per our Report of even date

For R S Dani & Co
Firm Registration No.000243C
Chartered Accountants

C P Kothari
Partner
Membership No. 072229
Ajmer

For and on behalf of the Board

Alok Kumar Vaish
Chief Financial Officer
M. No. F089930

Kausik Adhikari
Company Secretary
M. No. ACS 18556

Atul Hasmukhrai Mehta
Director
DIN: 00112451

Shalu Bhandari
Director
DIN: 00012556

Kushagra Bajaj
Chairman
DIN: 00017575

Ashok Kumar Gupta
Managing Director
DIN: 02608184

Vinod C Sampat
Director
DIN: 09024617

Ashok Mukand
Director
DIN: 00324588

Mumbai, June 08, 2021

Statement of Profit & Loss for the year ended March 31, 2021

Particulars	Note	Year ended March 31, 2021 ₹Crore	Year ended March 31, 2020 ₹Crore
INCOME :			
Revenue from operations	26	**6,671.67**	6,665.60
Other income	27	**16.53**	11.01
Total Income		**6,688.20**	**6,676.61**
EXPENSES :			
Cost of materials consumed	28	**5,297.32**	5,363.34
Changes in Inventories of finished goods, stock-in-trade and work-in-progress	29	**193.31**	60.17
Employee benefits expense	30	**327.99**	299.11
Finance costs	31	**263.09**	300.75
Depreciation and amortisation expense	32	**215.16**	215.87
Other expenses	33	**674.01**	484.39
Total Expenses		**6,970.88**	6,723.63
Profit/(Loss) before exceptional items and tax		**(282.68)**	(47.02)
Exceptional items provision for diminution in the value of investment and loans & advances		**-**	60.71
Profit/(Loss) before tax		**(282.68)**	(107.73)
Tax expenses			
Deferred tax	20	**(3.08)**	(2.36)
Tax relating to earlier years		**-**	-
Total tax		**(3.08)**	(2.36)
Profit/(loss) for the year after tax		**(279.60)**	(105.37)
Other comprehensive income			
Items that will not be reclassified to profit or loss	34	**(49.65)**	(60.86)
Income tax relating to items that will not be reclassified to profit or loss	34	**16.05**	17.03
		(33.60)	(43.83)
Total comprehensive income for the year (comprising profit/(loss) and other comprehensive income for the year)		**(313.20)**	(149.20)
Earnings per equity share of face value of ₹1/- each			
Basic and Diluted	36	**(2.54)**	(0.96)

See accompanying notes "1" to "51" to the financial statement.

As per our Report of even date

For R S Dani & Co
Firm Registration No.000243C
Chartered Accountants

C P Kothari
Partner
Membership No. 072229
Ajmer

For and on behalf of the Board

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Ashok Mukand
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DIN: 00324588

Mumbai, June 08, 2021

Cash Flow Statement for the year ended March 31, 2021

Particulars	Year ended March 31, 2021 ₹ Crore	Year ended March 31, 2020 ₹ Crore
A. Cash flow from operating activities:		
Net profit / (loss) before tax	**(282.68)**	(107.73)
Adjustment for:		
Depreciation and amortisation	**215.16**	215.87
Reversal of reserve for molasses storage tank-for repair work	**(0.17)**	(1.57)
Unrealised loss / (gain) due to foreign exchange fluctuation	**-**	(0.42)
Provision for doubtful Debts / Bad Debts Written off	**6.31**	14.06
Provision for diminution of value of investment and loans & advances	**-**	60.71
Loss / (surplus) on sale of property, plant and equipment (net)	**0.38**	0.66
Finance costs	**263.09**	300.75
Interest income	**(0.89)**	(0.91)
	483.88	589.15
Operating profit / (loss) before working capital changes	**201.20**	481.42
Adjustment for:		
Trade and other receivables	**(68.02)**	8.94
Inventories	**170.05**	53.59
Trade and other payables	**56.84**	350.77
Cash generated from operations	**360.07**	894.72
Direct taxes	**(1.12)**	(0.50)
Net cash from / (used in) operating activities	**358.95**	894.22
B. Cash flow from investing activities:		
Purchase of property, plant and equipment	**(2.20)**	(27.17)
Sale of property, plant and equipment	**0.11**	0.21
Interest received	**0.85**	0.90
Net cash from / (used in) investing activities	**(1.24)**	(26.06)
C. Cash flow from financing activities:		
Repayment of long term borrowings	**(226.48)**	(547.70)
Interest paid	**(168.86)**	(267.74)
Dividend paid	**(0.06)**	(0.13)
Net cash from/ (used in) financing activities	**(395.40)**	(815.57)
Net increase/(decrease) in cash and cash equivalents	**(37.69)**	52.59
Cash and cash equivalents (opening balance)	**100.69**	48.10
Cash and cash equivalents (closing balance) - refer note 10	**63.00**	100.69

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, 2020	5,139.53	347.46	-	5,486.99
Cash flow	(458.11)	231.63	(0.00)	(226.48)
Non cash transaction	120.90	-	-	120.90
As at March 31, 2021	4,802.32	579.09	-	5,381.41

Non-cash transaction

4. Notional interest ₹14.13 crore on promoters loan credited to promoter's loan account(refer note 17.4)

See accompanying notes "1" to "51" to the financial statement.

As per our Report of even date

For R S Dani & Co
Firm Registration No.000243C
Chartered Accountants

C P Kothari
Partner
Membership No. 072229
Ajmer

For and on behalf of the Board

Alok Kumar Vaish
Chief Financial Officer
M. No. F089930

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Company Secretary
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Ashok Kumar Gupta
Managing Director
DIN: 02608184

Vinod C Sampat
Director
DIN: 09024617

Ashok Mukand
Director
DIN: 00324588

Mumbai, June 08, 2021

Statement of Changes in Equity

A Equity share capital

₹ Crore

Particulars	Amount
Equity share capital	113.36
Less: Investment in BHL Security Trust and ESOP Trust	(3.29)
Equity share capital as at April 1, 2019	110.07
Change during the year	-
Equity share capital as at March 31, 2020	110.07

Particulars	Amount
Equity share capital	113.36
Less: Investment in BHL Security Trust and ESOP Trust	(3.29)
Equity share capital as at April 1, 2020	110.07
Change during the year	-
Equity share capital as at March 31, 2021	110.07

B Other equity

₹ Crore

	Reserve and surplus						Item of other comprehensive income		Total
Particulars	Retained earnings	Capital redemp-tion reserve	Securities premium	General reserve	Reserve for molasses storage tanks	Equity comp -onent of compound financial instrument	Gain / (loss) on Investment through FVOCI	Actuarial gain / (loss) on employee benefit plans through OCI	
As at April 01, 2019	(1,099.18)	0.05	4,185.31	156.05	2.85	146.54	(84.56)	(12.08)	3,294.98
Profit for the period	(105.37)	-	-	-	-	-	-	-	(105.37)
Other comprehensive income for the year	-	-	-	-	-	-	(37.56)	(6.27)	(43.83)
Transfer to molasses storage fund	(0.82)	-	-	-	0.82	-	-	-	-
Utilisation of fund for maintenance of Molasses tank	-	-	-	-	(1.57)	-	-	-	(1.57)
As at March 31, 2020	**(1,205.37)**	**0.05**	**4,185.31**	**156.05**	**2.10**	**146.54**	**(122.12)**	**(18.35)**	**3,144.21**
Profit for the period	(279.60)	-	-	-	-	-	-	-	(279.60)
Other comprehensive income for the year	-	-	-	-	-	-	(35.39)	1.79	(33.60)
Transfer to molasses storage fund	(0.96)	-	-	-	0.96	-	-	-	-
Utilisation of fund for maintenance of Molasses tank	-	-	-	-	(0.17)	-	-	-	(0.17)
As at March 31, 2021	**(1,485.93)**	**0.05**	**4,185.31**	**156.05**	**2.89**	**146.54**	**(157.51)**	**(16.56)**	**2,830.84**

As per our Report of even date

For R S Dani & Co
Firm Registration No.000243C
Chartered Accountants

C P Kothari
Partner
Membership No. 072229
Ajmer

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Managing Director
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Vinod C Sampat
Director
DIN: 09024617

Ashok Mukand
Director
DIN: 00324588

Mumbai, June 08, 2021

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 Bombay Stock Exchange and National Stock Exchange. The registered office of the Company is situated at Golagokarannath, Lakhimpur – Kheri, District Kheri, Uttrar Pradesh – 262 802, and it's 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 31st March, 2021 and are prepared in Indian Rupees being the functional currency. The values in Indian Rupees are rounded to crore, except otherwise indicated."

2A Accounting policies

(i) 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 .

Summary of significant accounting policies

(ii) 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.

(iii) 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 the 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.

(iv) 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 amortized 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."

(v) Leases

Leases are accounted as per Ind AS 116 which has become mandatory from April 1, 2019. Assets taken on lease are accounted as right-of-use assets and the corresponding lease liability is accounted at the lease commencement date. Initially the right-of-use asset is measured at cost which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The lease liability is initially measured at the present value of the lease payments, discounted using the Company's incremental borrowing rate. It is remeasured when there is a change in future lease payments arising from a change in an index or a rate, or a change in the estimate of the guaranteed residual value, or a change in the assessment of purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the rightof-use asset, or is recorded in the Statement of Profit and Loss if the carrying amount of the right-of-use asset has been reduced to zero. The right-of-use asset is measured by applying cost model i.e. right-of-use asset at cost less accumulated depreciation and cumulative impairment, if any. The right-of-use asset is depreciated using the straight-line method from the commencement date to the end of the lease term or useful life of the underlying asset whichever is earlier. Carrying amount of lease liability is increased by interest on lease liability and reduced by lease payments made. Lease payments associated with following leases are recognised as expense on straight-line basis:

(i) Low value leases; and

(ii) Leases which are short-term.

Assets given on lease are classified either as operating lease or as finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. Initially asset held under finance lease is recognised in balance sheet and presented as a receivable at an amount equal to the net investment in the lease. Finance income is recognised over the lease term, based on a pattern reflecting a constant periodic rate of return on Company's net investment in the lease. A lease which is not classified as a finance lease is an operating lease. The Company recognises lease payments in case of assets given on operating leases as income on a straight-line basis. The Company presents underlying assets subject to operating lease in its balance sheet under the respective class of asset."

(vi) 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."

(vii) 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.

(viii) 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."

(ix) 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.

(x) 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.

(xi) 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 facto₹ 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.

(xii) 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."

(xiii) Employee benefits

i) 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." The company has adopted the amended provisions of the IND AS 19 with effect from 1st of April 2019. The Company does not have any impact on account of this amendment."

ii) 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.

iii) 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."

iv) Long term compensated absences are provided on the basis of actuarial valuation.

v) Compensation to employees under Voluntary Retirement Scheme is charged to statement of profit and loss Account in the year of accrual.

vi) The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. The Code would impact the contributions by the Company towards Provident Fund and Gratuity. However, the date on which the Code will come into effect has not been notified. The Company will evaluate the impact and will give appropriate impact in the financial statements in the period in which, the Code becomes effective.

(xiv) Taxation

i) Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments : On March 30, 2019, Ministry of Corporate Affairs had 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 Company has adopted 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."

ii) 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.

iii) 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.

iv) 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.

(xv) 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.

(xvi) 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 1st April, 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).

(xvii) 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.

(xviii) 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.

(xix) 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 recognized in the OCI. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized 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 recognized 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 amortized 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 amortized cost using the effective interest rate (EIR) method. Gains and losses are recognized in statement of profit and loss when liabilities are derecognized. Amortized 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 amortization is included as finance cost in the statement of 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 derecognizes 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 derecognized 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 realization 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.

(xx) 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.

2B 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 recognized 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) **Estimation uncertainty relating to the global health pandemic on COVID-19**

In assessing the recoverability of receivables including unbilled receivables, contract assets and contract costs, goodwill, intangible assets, and certain investments, the Company has considered internal and external information up to the date of approval of these financial statements including credit reports and economic forecasts wherever applicable on the basis of assessment and materiality. The Company has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets. The impact of the global health pandemic may be different from that estimated as at the date of approval of these interim condensed consolidated financial statements and the Company will continue to closely monitor any material changes to future economic conditions

viii) **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.

ix) **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.48.

3 Property, Plant and Equipment

₹ Crore

		Land Freehold	Land Leasehold	Buildings	Plant & machinery	Furniture, fixtures & Office equipment	Vehicles	Total	Capital Work in Progress	Grand Total
a)	**Gross Block**									
	Balance as at 31st March, 2019	**3,711.53**	**1.02**	**1,277.83**	**5,457.45**	**46.97**	**129.95**	**10,624.75**	**16.56**	**10,641.31**
	Additions	-	-	-	1.21	0.64	0.30	2.15	27.78	29.93
	Disposals & Adjustments	-	-	-	1.76	0.28	0.87	2.91	1.27	4.18
	Balance as at 31st March, 2020	**3,711.53**	**1.02**	**1,277.83**	**5,456.90**	**47.33**	**129.38**	**10,623.99**	**43.07**	**10,667.06**
	Additions	-	-	-	19.50	0.58	0.02	20.10	1.60	21.70
	Disposals & Adjustments	-	-	0.02	1.23	0.51	0.46	2.22	19.50	21.72
	Balance as at 31st March, 2021	**3,711.53**	**1.02**	**1,277.81**	**5,475.17**	**47.40**	**128.94**	**10,641.87**	**25.17**	**10,667.04**
	Accumulated Depreciation									
	Balance as at 31st March, 2019	**-**	**0.30**	**332.87**	**2,794.58**	**43.22**	**63.70**	**3,234.67**	**-**	**3,234.67**
	Additions	-	0.03	29.13	177.42	0.89	5.74	213.21	-	213.21
	Disposals & Adjustments	-	-	-	0.93	0.27	0.84	2.04	-	2.04
	Balance as at 31st March, 2020	**-**	**0.33**	**362.00**	**2,971.07**	**43.84**	**68.60**	**3,445.84**	**-**	**3,445.84**
	Additions	-	0.03	29.01	177.03	0.85	5.58	212.50	-	212.50
	Disposals & Adjustments	-	-	-	0.80	0.49	0.44	1.73	-	1.73
	Balance as at 31st March, 2021	**-**	**0.36**	**391.01**	**3,147.30**	**44.20**	**73.74**	**3,656.61**	**-**	**3,656.61**
	Net Block									
	Balance as at 31st March, 2020	**3,711.53**	**0.69**	**915.83**	**2,485.83**	**3.49**	**60.78**	**7,178.15**	**43.07**	**7,221.22**
	Balance as at 31st March, 2021	**3,711.53**	**0.66**	**886.80**	**2,327.87**	**3.20**	**55.20**	**6,985.26**	**25.17**	**7,010.43**

(b)	Right-of-use asset		₹ Crore
		Right-of-use asset	Total
	Gross Block		
	Balance as at 31st March, 2019	-	-
	Additions	12.10	12.10
	Disposals & Adjustments	-	-
	Balance as at 31st March, 2020	**12.10**	**12.10**
	Additions	-	-
	Disposals & Adjustments	-	-
	Balance as at 31st March, 2021	**12.10**	**12.10**
	Accumulated Depreciation		
	Balance as at 31st March, 2019	**-**	**-**
	Additions	2.66	2.66
	Disposals & Adjustments	-	-
	Balance as at 31st March, 2020	**2.66**	**2.66**
	Additions	2.66	2.66
	Disposals & Adjustments	-	-
	Balance as at 31st March, 2021	**5.32**	**5.32**
	Net Block		
	Balance as at 31st March, 2020	**9.44**	**9.44**
	Balance as at 31st March, 2021	**6.78**	**6.78**

Note:
Assets pledged as security refer note no. 17.3

(c)	Other Intangible assets		₹ Crore
		Computer Software	Total
	Gross Block		
	Balance as at 31st March, 2019	**0.02**	**0.02**
	Additions	-	-
	Disposals & Adjustments	-	-
	Balance as at 31st March, 2020	**0.02**	**0.02**
	Additions	-	-
	Disposals & Adjustments	-	-
	Balance as at 31st March, 2021	**0.02**	**0.02**
	Accumulated Depreciation		
	Balance as at 31st March, 2019	**0.02**	**0.02**
	Additions	-	-
	Disposals & Adjustments	-	-
	Balance as at 31st March, 2020	**0.02**	**0.02**
	Additions	-	-
	Disposals & Adjustments	-	-
	Balance as at 31st March, 2021	**0.02**	**0.02**
	Net Block		
	Balance as at 31st March, 2020	**0.00**	**0.00**
	Balance as at 31st March, 2021	**0.00**	**0.00**

		As at March 31, 2021 ₹ Crore	As at March 31, 2020 ₹ 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
	20,000 (20,000) Shares of Bajaj Power Generation Pvt. Ltd. of ₹10/- each	**0.02**	0.02
	50,00,000 (50,00,000) Shares of Bajaj Aviation Private Ltd. of ₹ 10/- each.	**5.00**	5.00
	Less: Provision for diminution in value of investments	**(5.00)**	(5.00)
		92.34	92.34
	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	**92.34**	92.34

	As at March 31, 2021 ₹ Crore	As at March 31, 2020 ₹ Crore
Non-trade investments		
Investments classified at fair value through other comprehensive income		
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	**(322.58)**	(271.14)
	47.90	99.34
Total non-trade investments	**47.90**	99.34
	140.24	191.68
Aggregate value of unquoted investments	**140.24**	191.68
Category wise non current investments		
Financial assets measure at cost	**92.34**	92.34
Financial assets measure at fair value through other comprehensive income	**47.90**	99.34
Total non current investments	**140.24**	191.68

5 Other non-current financial assets

(Unsecured considered good)		
Fixed deposits*	**3.98**	2.07
	3.98	2.07

* Having maturity after 12 months from the reporting date and earmarked ₹0.73 crore (P.Y. ₹ 0.41 crore) for specific purposes.

6 Other non-current assets

(Unsecured considered good unless otherwise stated)		
Taxes paid under protest	**6.92**	6.92
Security deposit to related parties (refer note 39)	**4.66**	4.57
Security deposits - Good	**1.97**	2.65
Security deposits - Doubtful	**0.30**	0.30
Provision for bad and doubtful - Security deposit	**(0.30)**	(0.30)
	-	-
	13.55	14.14

7 Inventories

(At cost or net realisable value whichever is lower, unless otherwise stated)		
Raw materials	**8.33**	4.37
Stores, spares & packing materials	**112.16**	92.86
Finished goods	**2,093.28**	2,398.39
By-products	**301.78**	154.00
Work-in-process	**25.79**	61.77
	2,541.34	2,711.39

- Includes inventories of ₹1,077.31 crore (P.Y. ₹ 514.44 crore) carrying at fair value less than cost to sale.
- Inventories pledged as a securities - refer note no 17.3

	As at March 31, 2021 ₹ Crore	As at March 31, 2020 ₹ Crore
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
	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	**218.73**	173.18
Considered doubtful	**53.78**	47.48
Less : Provision for doubtful debts	**(53.78)**	(47.48)
	-	-
	218.73	173.18
10 Cash and cash equivalents		
Balance with banks :		
Current account	**62.45**	99.95
Cheques, draft on hand	**0.01**	0.04
Cash on hand	**0.54**	0.70
	63.00	100.69
11 Bank balances		
Balance with banks (unpaid dividend)	**-**	0.06
Fixed deposits (Maturity within 12 months)*	**8.89**	10.43
	8.89	10.49
* Includes ₹ 5.49 crore (P.Y. ₹ 7.61 crore) earmarked for specific purposes.		
12 Loans and interest accrued		
(Considered good unless otherwise stated)		
Loans & advances to related parties (refer note 39) - good	**870.60**	870.60
- doubtful	**37.12**	37.12
Loans & advances to others -good	**318.50**	318.50
- doubtful	**2.29**	2.29
- Sub total	**1,228.51**	1,228.51
Less: Provision for doubtful loans & advances	**(39.41)**	(39.41)
	1,189.10	1,189.10
Interest receivable on loans - related parties (refer note 39) - good	**708.83**	708.83
- doubtful	**18.59**	18.59
Interest receivable on loans - others	**193.36**	193.36
	2,109.88	2,109.88
Less: Provision for doubtful Interest receivable on loans	**(18.59)**	(18.59)
Total*	**2,091.29**	2,091.29
***Out of above:**		
Secured by pledge of investment - Related Party	**1,579.43**	1,579.43
Secured by pledge of investment - Others	**511.86**	511.86
Unsecured - Related Party	**55.71**	55.71
Unsecured - Others	**2.29**	2.29
	2,149.29	2,149.29
Less:-Provision for doubtful loans & advances	**(58.00)**	(58.00)
	2,091.29	2,091.29

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, 2021	March 31, 2020	**March 31, 2021**	March 31, 2020
Bajaj Aviation Pvt. Ltd. (Subsidiary)	**43.00**	43.00	**43.00**	43.00
Bajaj Hindusthan (Singapore) Private Ltd. (Subsidiary)	**12.71**	12.71	**12.71**	12.71
Bajaj Power Generation Pvt. Ltd. (Subsidiary)	**1,579.43**	1,579.43	**1,579.43**	1,579.43
	1,635.14	1,635.14		

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, 2021 ₹ Crore**	No. of Shares	As at March 31, 2020 ₹ 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	24.27
PT. Jangkar Prima, Indonesia (Step down subsidiary)	49,940	**56.90**	49,940	56.90

	As at March 31, 2021 ₹ Crore	As at March 31, 2020 ₹ Crore
13 Current tax assets (net)		
Advance income tax (net of provisions)		
At the start of year	**4.26**	3.76
Charged during the year	**0.99**	0.45
Refund received during the year	**-**	-
Others	**0.13**	0.05
At the end of year	**5.38**	4.26

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.

14 Other current assets		
(Unsecured considered good)		
MAT credit entitlement	**79.44**	79.44
Receivable under SPP (refer note 46)	**592.38**	592.38
Claims / refund recoverable in cash or in kind or for value to be received	**14.37**	13.37
Duty drawback receivable	**0.11**	0.09
Other advances* - Good	**119.03**	104.04
- Doubtful	**0.88**	0.88
	806.21	790.20
Less: Provision for doubtful advances	**(0.88)**	(0.88)
	805.33	789.32

* Includes advances given to suppliers, vendors and employees and other advances recoverable in cash or in kind.

	As at March 31, 2021 ₹ Crore	As at March 31, 2020 ₹ Crore
15 Equity share capital		
Authorised:		
5,00,00,00,000 (5,00,00,00,000 Equity Shares of Re 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 share of Re 1/- (refer note no v)	**3.11**	3.11
Share held by ESOP Trust 17,80,000 (17,80,000) equity share of Re 1/- (refer note no v)	**0.18**	0.18
	3.29	3.29
	110.07	110.07

(i) 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 the 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, 2021 No. of Shares	As at March 31, 2020 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, 2021		As at March 31, 2020	
Sr. No.		**Name of Shareholders**	**No. of Shares**	**% held**	No. of Shares	% held
1.		Punjab National Bank	**12,73,10,276**	**11.23%**	8,52,25,312	7.52%
2.		Bajaj Resources Ltd.	**8,19,44,455**	**7.23%**	8,19,44,455	7.23%
3.		Indian Bank (earlier Allahabad Bank)	**6,29,28,861**	**5.55%**	6,29,28,861	5.55%
4.		Central Bank of India	**5,66,86,605**	**5.00%**	5,66,86,905	5.00%
5.		IDBI Bank Limited	**-**	**0.00%**	6,15,54,823	5.43%

(v) Company hold beneficial interest in BHL Security Trust which holds 3.11 crore shares of the company allotted on amalgamation of it's subsidiary Bajaj Hindusthan Sugar and Industries Limited in 2010. Company has also formed ESOP trust under the ESOP scheme. Company has an advance Rs 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 IndAS 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, 2021 ₹ Crore	As at March 31, 2020 ₹ 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**	146.54
Closing balance	**146.54**	146.54
General reserve		
Opening balance	**156.05**	156.05
Closing balance	**156.05**	156.05
Reserve for molasses storage tanks		
Opening balance	**2.10**	2.85
Transferred from statement of profit & loss	**0.96**	0.82
Utilisation of fund for maintenance of molasses tank	**(0.17)**	(1.57)
Closing balance	**2.89**	2.10
Gain / (loss) on Investment through FVOCI		
Opening balance	**(122.12)**	(84.56)
Change in during the year	**(35.39)**	(37.56)
Closing balance	**(157.51)**	(122.12)
Actuarial gain / (loss)on employee benefit plans		
Opening balance	**(18.35)**	(12.08)
Change in during the year	**1.79**	(6.27)
Closing balance	**(16.56)**	(18.35)
Statement of profit and loss (retained earnings)		
Opening balance	**(1,205.37)**	(1,099.18)
Profit/(loss) for the year	**(279.60)**	(105.37)
Appropriations		
Transferred to reserve for molasses storage tanks	**(0.96)**	(0.82)
Closing balance	**(1,485.93)**	(1,205.37)
	2,830.84	3,144.21

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.

	As at March 31, 2021 ₹ Crore	As at March 31, 2020 ₹ Crore
17 Non-current borrowings		
(At amortised cost)		
From banks		
Secured Debentures (refer note17.1)	**3,483.25**	3,483.25
Secured Term Loan	**1,187.18**	1,538.51
	4,670.43	5,021.76
From related parties		
Unsecured	**131.89**	117.77
	131.89	117.77
	4,802.32	5,139.53

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 occurance 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. "

17.2 Maturity profile of term loans are set out below :-

₹ Crore

Name of banks/financial institutions	**Interest (%)**	**Outstanding as at March 31, 2021**	**Current Maturities (0-1 Year)**	**Maturity profile**				
				2nd Year	**3rd Year**	**4th Year**	**Beyond 4 Years**	**Refer Note No**
From banks								
Term loans secured	10.15% to 10.30%	1,766.27	579.09	434.39	434.39	318.40	-	17.3
Total -Secured		**1,766.27**	**579.09**	**434.39**	**434.39**	**318.40**	**-**	
Term loans (Unsecured) From related parties								
Loan from promoters -1		130.09	-	-	-	-	130.09	17.4(i)
Loan from promoters 2		1.80	-	-	-	-	1.80	17.4(ii)
Total - From related parties		**131.89**	**-**	**-**	**-**	**-**	**131.89**	
Total - Unsecured		**131.89**	**-**	**-**	**-**	**-**	**131.89**	
Grand Total		**1,898.16**	**579.09**	**434.39**	**434.39**	**318.40**	**131.89**	-

17.3 Details of securities

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 Chairman (Promoter) and corporate guarantee by a promoter group company, pledge of entire shares held by the Promoters of the company in BHSL, 21,82,870 equity shares of LPGCL held by the Company and 3,63,00,011 equity shares of Bajaj Energy Ltd. held by promoters group 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 Rs 64.22 crore as debt and Rs 135.78 crore as other equity by discounting the amount @12% pa 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% pa for a tenure of 20 years.

17.5 Deferment and moratorium

Pursuant to the RBI (Reserve Bank of India) circular no. RBI/2019-20/186 dated March 27, 2020, and RBI letter dated May 22, 2020, in the wake of extended lock-down due to pandemic, permitting the banks to grant six months moratorium on repayment of loan and payment of interest falling due during March 1, 2020, and August 31, 2020. The company has sought from all the JLF (Joint Lenders Forum) Banks to avail the extended time for repayment of loan and moratorium on payment of interest as per RBI guidelines. The repayment of the loan has been extended by two quarters (six months) due to deferment of two installments, and the interest accrued during the aforesaid moratorium period, of Rs 106.78 crore, has been converted to a loan, repayable along with the last two instalments of the loan.

17.6 The principal of Rs 121.76 crore towards the outstanding instalment of March 2021, paid during the months of April 2021 and May 2021; ₹15.24 crore towards the interest of March 2021 paid during the month of April 2021.

Details of delays and defaults in payment of financial obligations

Amount falling due during FY 2020-21

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
Bank of Baroda	4	54	0.04	1.73	1	23	0.01	0.50
Bank of India	5	54	0.02	1.73	1	23	0.00	0.27
Bank of Maharashtra	5	59	0.00	4.35	1	28	0.03	1.35
Canara Bank	5	55	0.02	4.35	1	23	0.00	1.00
Central Bank of India	3	50	0.01	3.00	1	28	0.01	0.93
IDBI Ltd	5	42	0.00	4.45	1	26	0.01	1.32
Indian Bank (er- Allahabad Bank)	5	57	0.27	4.69	1	26	0.00	1.31
Indian Overseas Bank	5	41	0.06	2.62	1	23	0.01	0.42
Punjab National Bank	5	40	0.08	3.28	1	27	0.05	2.08
Punjab National Bank (er- OBC)	5	51	0.20	3.81	1	31	0.02	0.61
State Bank of India	1	30	0.01	4.03	1	3	0.01	4.35
UCO Bank	12	49	0.50	3.90	1	31	0.00	0.64
Union Bank (er-Corporation Bank)	5	50	0.10	2.24	4	26	0.01	0.36

	As at March 31, 2021 ₹ Crore	As at March 31, 2020 ₹Crore
18 Non-current other financial liabilities		
Lease Liability - Financial	**4.84**	7.28
	4.84	7.28
19 Non-current provisions		
Gratuity	**46.13**	41.27
Leave encashment	**30.45**	27.99
	76.58	69.26

	As at Apr. 01, 2020 ₹ Crore	During the Year	**As at March 31, 2021 ₹ Crore**
20 Deferred tax statements			
Deferred tax liabilities			
Property, plant and equipment	727.20	0.74	**727.94**
Fair valuation of property, plant and equipment	790.76	(3.08)	**787.68**
	1,517.96	(2.34)	**1,515.62**
Deferred tax assets			
Provision for employee benefits	25.83	3.12	**28.95**
Provision for doubtful debts / advances	27.20	1.97	**29.17**
Fair valuation of investments	180.69	16.05	**196.74**
Carry forward losses and unabsorbed depreciation*	674.17	(4.35)	**669.82**
	907.89	16.79	**924.68**
Deferred tax liabilities/ (assets) (net)	610.07	(19.13)	**590.94**

* Deferred tax assets on carry forward losses and unabsorbed depreciation is ₹ 1,124.14 crore. However, it is recognised to the extent of deferred tax liabilities other than arising on fair valuation of PPE on conservative basis.

* Pursuant to the Taxation Laws (Amendment) Act, 2019, domestic companies have an option to pay corporate income tax at a concessional rate of 25.17% including surcharge and cess (new tax rate), subject to certain conditions, w.e.f. financial year commencing from April 1, 2019 and thereafter. If the said option is chosen, the company will be exempted from the provisions of Minimum Alternate Tax under section 115JB; however the company will have to forego certain prescribed incentives/ deductions. The company can choose such option for any year starting from FY 2019-20 or any subsequent year. However, once the said option of paying tax under the new tax rate is chosen, the company cannot withdraw and go back to the old rates of tax. In the year ended March 31, 2021, the Company has made an evaluation of the impact of the aforesaid option and decided not to opt for the new tax rate for financial year 2020-21. Accordingly, the company will continue to be governed under the existing tax regime. The company will re-assess the impact for the subsequent financial year and take a decision for the said years at relevant point in time.

	Year ended March 31, 2021 ₹ Crore	Year ended March 31, 2020 ₹ Crore
20 (a) Tax expense recognised in the Statement of Profit and Loss		
Current tax		
Current year	**-**	-
Total Current Tax	**-**	-
Deferred tax		
Origination and reversal of temporary difference	**19.13**	19.39
Total deferred income tax expense/(credit)	**19.13**	19.39
Tax relating to earlier year	**-**	-
Total income tax expense/(credit)	**(19.13)**	(19.39)

(b) A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the profit before income taxes is summarized below:

	Year ended March 31, 2021 ₹ Crore	Year ended March 31, 2020 ₹ Crore
Profit before Tax	**(282.68)**	(107.73)
Enacted income tax rate in India	**31.20%**	31.20%
Income tax expenses as per enacted rate	**(88.20)**	(33.61)
Differences due to:		
Income / Expenses not considered for tax purpose	**69.07**	14.22
Others		-
Total	**(19.13)**	(19.39)
Effective Tax Rate	**6.77%**	18.00%

(c) The movement in deferred tax assets and liabilities during the year ended March 31, 2020 and March 31, 2021:

Movement during the year ended March 31, 2020 and March 31, 2021	**As at April 1, 2019**	**Credit/ (charge) in statement of Profit and Loss**	**Credit / (charge) in Other Comprehensive Income**	**As at March 31, 2020**	**Credit / (charge) in statement of Profit and Loss**	**Credit / (charge) in Other Comprehensive Income**	**As at March 31, 2021**
Deferred tax assets/ (liabilities)							
Property, plant and equipment	(780.11)	52.91	-	(727.20)	(0.74)	-	**(727.94)**
Fair valuation of property, plant and equipment	(793.12)	2.36	-	(790.76)	3.08	-	**(787.68)**
Provision for employee benefits	20.39	5.44	-	25.83	3.12	-	**28.95**
Provision for doubtful debts/ advances	11.51	15.69	-	27.20	1.97	-	**29.17**
Fair valuation of investments	163.66	-	17.03	180.69	-	16.05	**196.74**
Carry forward losses and unabsorbed depreciation	748.21	(74.04)	-	674.17	(4.35)	-	**669.82**
Total	**(629.46)**	**2.36**	**17.03**	**(610.07)**	**3.08**	**16.05**	**(590.94)**

	Year ended March 31, 2021 ₹ Crore	Year ended March 31, 2020 ₹ Crore
21 Other non-current liabilities		
Deposits from agents/ customers/vendors	**35.84**	25.98
	35.84	25.98
22 Trade payables		
Micro and small enterprises	**19.72**	7.97
Others	**4,440.20**	4,431.55
	4,459.92	4,439.52

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

Reconciliation of effective tax rate	**Year ended March 31, 2021 ₹ Crore**	Year ended March 31, 2020 ₹ Crore
– Principal	**19.72**	7.97
– Interest	**-**	-
The amount of interest paid by the buyer as per the Micro Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006)	**-**	0.06
The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting year.	**0.29**	3.58
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

Lease Liability- Financial **	**2.43**	2.26
Current maturities of long term borrowings (refer note 17.2)	**579.09**	347.46
Interest accrued but not due on borrowings	**-**	0.12
Interest accrued and due on borrowings	**15.24**	17.70
Interest accrued and due on debentures*	**-**	22.56
Unclaimed dividends #	-	0.06
	596.76	390.16

These figures do not includes any amount due and outstanding to be credited to Investor Education and Protection fund.
***** Interest of ₹ Nill (P.Y. ₹ 22.56 crore) on debenture is due for payment as on the balance sheet date.
****** Lease Liability of ₹ 2.43 crore (P.Y. ₹ 2.26 crore) payable with in year has been regrouped as "Other financial liabilities-current"

	As at March 31, 2021 ₹ Crore	As at March 31, 2020 ₹ Crore
24 Other current liabilities		
Other payables*	**154.77**	139.71
	154.77	139.71

***** Includes statutory dues, advances from customer and other liabilities.

25 Current provisions		
Gratuity	**11.70**	9.49
Leave encashment	**4.49**	4.02
	16.19	13.51
26 Revenue from operations		
Sale of products	**6,555.13**	6,603.20
Other operating revenues	**116.54**	62.40
	6,671.67	6,665.60
26.1 Particulars of sale of products		
Sugar	**5,930.57**	6,100.03
Alcohol	**397.00**	258.90
Power	**58.54**	68.51
By products	**168.60**	175.76
Others	**0.42**	-
	6,555.13	6,603.20

	As at March 31, 2021 ₹ Crore	As at March 31, 2020 ₹ Crore
26.2 Particulars of other operating revenues		
Duty drawback and other export incentives	**0.04**	0.02
Sale of export licences	**50.48**	0.81
Sale of scrap	**5.05**	6.55
Others	**60.97**	55.02
	116.54	62.40
27 Other income		
Profit on sale of Sale of Asset	**-**	-
Gain due to foreign exchange fluctuation (net)	**-**	0.49
Other non-operating income	**15.64**	9.61
Interest income *	**0.89**	0.91
	16.53	11.01
***** On the principle of conservatism and prudence the Company has not recognized interest income of Rs 145.61 crore (P.Y. Rs 145.64 crore) in FY 21, on loans and advances; as and when it is recoverable it will be recognized in the books.		
28 Cost of materials consumed		
Opening stock	**4.37**	6.36
Purchases	**5,301.28**	5,361.35
	5,305.65	5,367.71
Less: Closing stock	**8.33**	4.37
Cost of raw material consumed	**5,297.32**	5,363.34
29 Changes in Inventories of finished goods, by-products and work-in-progress		
Opening stock		
Finished goods	**2,398.39**	2,516.90
By-products	**154.00**	101.25
Work-in-process	**61.77**	56.18
	2,614.16	2,674.33
Less: Closing stock		
Finished goods*	**2,093.28**	2,398.39
By-products	**301.78**	154.00
Work-in-process	**25.79**	61.77
	2,420.85	2,614.16
	193.31	60.17
***** Includes ₹60.92 crore (P.Y. ₹ 41.44 crore) towards the write down of inventories.		
30 Employee benefits expense		
Salaries & wages	**296.71**	270.69
Contributions to provident and other funds	**29.70**	26.69
Employee's welfare expenses	**1.58**	1.73
	327.99	299.11
30.1 Liability for employee benefits has been determined by an actuary, appointed for the purpose, in conformity with the principles set out in the Ind AS19 the details of which are as hereunder:		
a. Funded scheme - gratuity		
Particulars		
Liability to be recognised in balance sheet		
Present value of funded obligations	**62.49**	60.57
Fair value of plan assets	**(4.65)**	(9.81)
Net liability / (asset)	**57.84**	50.76

	As at March 31, 2021 ₹ Crore	As at March 31, 2020 ₹ Crore
Change in Plan Assets (reconciliation of opening & closing balances)		
Fair value of plan assets at the beginning	**9.82**	12.73
Expected return on plan assets	**0.49**	0.89
Actuarial gain / (losses)	**(0.01)**	0.04
Contributions	**0.49**	0.11
Benefits paid	**(6.14)**	(3.95)
Fair value of plan assets at the end	**4.65**	9.82
Actual return on plan assets		
Change in obligation (reconciliation of opening and closing balances)		
Defined benefit obligation at the beginning	**60.57**	51.02
Current service cost	**5.36**	5.32
Interest cost	**4.24**	3.43
Actuarial losses / (gain)	**(1.55)**	4.76
Benefits paid	**(6.14)**	(3.95)
Closing obligation	**62.48**	60.58
Expenditure to be recognised during the year		
Current service cost	**5.36**	5.32
Interest cost	**4.24**	3.43
Expected return on plan assets	**(0.49)**	(0.89)
Total expenses recognised in the statement of profit and loss	**9.11**	7.86
In Other comprehensive income		
Actuarial (Gain) / Loss - Plan liabilities	**(1.55)**	4.76
Actuarial (Gain) / Loss - Return On Plan Assets	**0.01**	(0.04)
Net (Income)/ Expense For the period Recognized in OCI	**(1.54)**	4.72
Investment Details		
Insurance Policies - Amount	**4.65**	9.82
- %	**100%**	100%
Assumptions		
Discount rate (per annum)	**6.90%**	7.00%
Expected rate of return on assets (per annum)	**6.90%**	7.00%
Salary escalation rate (per annum)	**6.00%**	6.00%
Sensitivity		
Under base scenario	**62.49**	60.57
Salary escalation (up by 1%)	**67.12**	65.13
Salary escalation (down by 1%)	**58.33**	56.49
Withdrawal rates (up by 1%)	**62.67**	60.79
Withdrawal rates (down by 1%)	**62.27**	60.34
Discount rates (up by 1%)	**58.48**	56.66
Discount rates (down by 1%)	**67.01**	65.00

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 recognized 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 2020-21.

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

	Year ended March 31, 2021 ₹ Crore	Year ended March 31, 2020 ₹ Crore
Particulars		
Present value of unfunded obligations	**34.94**	32.01
Expenses recognised in the statement of profit and loss	**3.17**	3.41
In Other comprehensive income		
Actuarial (Gain) / Loss - Plan liabilities	**(0.25)**	1.56
Actuarial (Gain) / Loss - Return On Plan Assets	**-**	-
Net (Income)/ Expense For the period Recognized in OCI	**(0.25)**	1.56
Discount rate (per annum)	**7.00%**	7.00%
Salary escalation rate (per annum)	**6.00%**	6.00%

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, 2021.

Plan assets at year end, at fair value	**-**	-
Present value of benefit obligation at year end	**-**	-
Cost of short fall in interest rate guarantee	**-**	-
Discount rate	**6.90%**	7.00%
Average remaining tenure of the investment portfolio (years)	**6.53**	6.48
Expected guaranteed interest rate	**8.50%**	8.50%

During the year ended March 31, 2021, amount recognised in statement of profit and loss for employee provident fund is ₹ 10.21 crore (P.Y. ₹8.90 crore).

	Year ended March 31, 2021 ₹ Crore	Year ended March 31, 2020 ₹ Crore
Defined contribution plan		
Family pension fund	**9.41**	9.01
Employees deposit link insurance	**0.58**	0.56
Superannuation	**0.09**	0.09

d. Share-based payment

Erstwhile Bajaj Hindusthan Sugar & Industries Limited, which was merged with the Company wef 01.04.2010, had formed Employees Stock Option Plan (ESOP) in 2007. All option granted have either been expired or exercised.

31 Finance costs

Interest expense on:		
Borrowings	**218.38**	258.69
Others	**5.25**	4.29
Debentures	**34.84**	34.88
Other borrowing costs	**4.62**	2.89
	263.09	300.75

32 Depreciation and amortisation expense

Depreciation on tangible assets	**212.50**	213.21
Amortisation on intangible assets	**2.66**	2.66
	215.16	215.87

33 Other expenses

Stores, spares and packing materials consumed	**174.60**	158.01
Power and fuel	**25.86**	25.93
Rent	**5.76**	2.95
Rates and taxes	**0.36**	0.29
Repairs :		
Building	**1.64**	1.37
Machinery	**330.24**	152.48
Others	**4.29**	4.27
	336.17	158.12
Payment to auditors (refer note 33.1)	**0.30**	0.73
Insurance	**12.49**	7.86
Selling commission	**15.42**	15.14
Selling & distribution	**36.69**	41.90
Director fees	**0.19**	0.21
Donations	**-**	0.52
Loss due to foreign currency fluctuation (net)	**0.06**	-
Provision for doubtful debts	**6.31**	14.06
Loss on assets sold / scrapped/ written off	**0.38**	0.74
Miscellaneous expenses	**59.42**	57.93
	674.01	484.39

	Year ended March 31, 2021 ₹ Crore	Year ended March 31, 2020 ₹ Crore
33.1 Payment to auditors		
For Statutory audit fees	**0.23**	0.46
For tax audit fees	**0.02**	0.05
For certification work	**0.05**	0.22
	0.30	0.73
34 Other Comprehensive income		
Actuarial gain / (loss)on employee benefit plans	**1.79**	(6.27)
Gain / (loss) on Investment through FVOCI	**(51.44)**	(54.59)
Less: tax on Gain / (loss) on Investment through FVOCI	**16.05**	17.03
	(33.60)	(43.83)
35 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	**11.29**	11.25
(ii) Trade tax matters	**59.01**	59.81
(iii) Recompense payable (refer note 40(b))	**280.75**	234.81
(iv) Other claims	**40.14**	45.64
	391.19	351.51
(b) Securities		
The company has furnished securities on behalf of subsidiary / associate company	**661.25**	661.25
(c) Interest payable on promoters loan (refer note 40 (c) & (d)) is not determinable	**-**	-
(d) Pursuant to the scheme for sustainable structuring of stressed assets (S4A Scheme) for restructuring of certain outstanding debts of the Company [Refer note no. 40 (d) for details], the Company has allotted optionally convertible debentures (OCDs) aggregating to Rs 3483.25 crore to JLF lenders .The OCDs carry a yield to maturity (YTM) at the agreed Yield Rate accruing on an annual basis as a contractual obligation, 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 provides 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 ₹ 1390.12 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).	**0.22**	2.66
	0.22	2.66

		Year ended March 31, 2021 ₹ Crore	Year ended March 31, 2020 ₹ Crore
36	**Earnings per share**		
(i)	Net profit/ (loss) after tax as per statement of profit and loss	**(279.60)**	(105.37)
(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	**(2.54)**	(0.96)
(v)	Diluted earnings per share	**(2.54)**	(0.96)
(vi)	Face value per equity share	**₹1/-**	₹1/-

37 Foreign currency exposure that are not hedged by derivative instruments as on March 31, 2021 amounting to SGD 0.24 crore (P.Y. SGD 0.24 crore) in respect of loan given to subsidiary.

38 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).

39 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) Pte. Ltd.	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**		
		1.	Mr. Kushagra Bajaj	Chairman
		2.	Mr. Ashok Kumar Gupta	Managing Director (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.	Anand Engineering Ltd.	
		4.	Bajaj Energy Ltd.	
		5.	Bajaj Resources Ltd.	
		6.	Bajaj Power Ventures Private Ltd.	
		7.	Bajaj International Realty Private Ltd.	
		8.	Bajaj Consumer Care Ltd.	
		9.	Shishir Bajaj Family Trust	
		10.	SKB Roop Commercial, LLP	
		11.	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**					
		Sale of materials	**-**	**-**	**-**	**2.72**	**2.72**
			(-)	(-)	(-)	(-)	(-)
		Rent / lease rent - Income	7.56	-	-	3.63	11.19
			(7.56)	(-)	(-)	(3.57)	(11.13)
		Remuneration	-	**1.42**	-	-	**1.42**
			(-)	(2.12)	(-)	(-)	(2.12)
		Gratuity - Expenses	-	-	-	-	-
			(-)	**(1.44)**	(-)	(-)	(1.44)
		Rent - Expense	-	-	-	**4.18**	**4.18**
			(-)	(-)	(-)	(4.18)	(4.18)

₹ Crore

		Transactions	Subsidiaries	Key Management Personnel	Associates	Enterprises described in (C) above	Total
		Business process services - Expense	-	-	-	**2.05**	**2.05**
			(-)	(-)	(-)	(1.85)	(1.85)
		Provision expenses for diminution in value of investments	-	-	-	-	-
			(5.00)	(-)	(-)	(-)	(5.00)
		Provision expenses for doubtful debts	**7.47**	-	-	**0.08**	**7.55**
			(12.10)	(-)	(-)	(0.85)	(12.95)
		Provision for doubtful debts written back	**-**	-	-	**0.76**	**0.76**
			(-)	(-)	(-)	(-)	(-)
		Provision expenses for doubtful loans given - unsecured (Includeing accrued interest)	**-**	-	-	-	**-**
			(55.71)	(-)	(-)	(-)	(55.71)
		Deposit given repaid	**-**	-	-	**0.64**	**0.64**
			(0.01)	(-)	(-)	(-)	(0.01)

₹ 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)
		rade payables	**-**	-	-	**1.32**	**1.32**
			(-)	(-)	(-)	(0.82)	(0.82)

₹ Crore

		Transactions	Subsidiaries	Key Management Personnel	Associates	Enterprises described in (C) above	Total
		Investments	**97.34**	-	-	**770.13**	**867.47**
			(97.34)	(-)	(-)	(770.13)	(867.47)
		Provision for diminution in value of investments	**5.00**	-	-	-	**5.00**
			(5.00)	(-)	(-)	(-)	(5.00)
		Trade receivable	**53.96**	-	-	**3.66**	**57.62**
			(46.51)	(-)	(-)	(6.68)	(53.19)
		Provision for doubtful debts	**42.37**	-	-	**0.40**	**42.77**
			(34.90)	(-)	(-)	(1.08)	(35.99)
		Advance to vendors	**-**	-	-	**0.47**	**0.47**
			(-)	(-)	(-)	(0.47)	(0.47)
		Loans given - Secured (Including accrued interest)	**1,579.43**	-	-	-	**1,579.43**
			(1,579.43)	(-)	(-)	(-)	(1,579.43)
		Loans given - Unsecured (Including accrued interest)	**55.71**	-	-	-	**55.71**
			(55.71)	(-)	(-)	(-)	(55.71)
		Provision for doubtful loans given - unsecured (Includeing accrued interest)	**55.71**	-	-	**-**	**55.71**
			(55.71)	(-)	(-)	(-)	(55.71)
		Deposits given	**-**	-	-	**4.39**	**4.39**
			(-)	(-)	(-)	(5.03)	(5.03)
		Guarantees/ securities given	**-**	-	-	**661.25**	**661.25**
			(-)	(-)	(-)	(661.25)	(661.25)

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 Sale of Material / Service ₹ 44,000 (P.Y. 0) to Lalitpur Power Generation Company Ltd and ₹ 2.71 crore (P. Y. 0) to Bajaj Consumer Care Ltd.

4 Rent income ₹ 7.56 crore (P.Y. 7.56 crore) from Bajaj Aviation Pvt. Ltd, ₹ 3.38 crore (P.Y. ₹ 3.31 crore) from Bajaj Energy Ltd , ₹ 0.24 crore (P.Y. ₹ 0.26 crore) from Lalitpur Power Generation Company Ltd., ₹ 45,312 (P.Y. ₹ 45,312). from Anand Engineering Ltd.

5 Remuneration includes ₹0.00 crore (P.Y. ₹ 0.86 crore) to Mr. Kushagra Bajaj, and ₹ 1.42 crore (P.Y. ₹ 1.26 crore) to Mr. A.K. Gupta.

6 Gratuity expenses includes ₹ 0 crore (P.Y. ₹ 1.44 crore) to Mr. Kushagra Bajaj.

7 Rent expense includes ₹ 0.94 crore (P.Y. ₹ 0.94 crore) to Bajaj Capital Ventures Pvt. Ltd ,₹ 2.23 crore (P.Y. ₹2.23 crore) to Shishir Bajaj Family Trust , ₹ 1.01 crore (P.Y. ₹ 1.01 crore) to Bajaj Resources Ltd.

8 Business process services includes ₹ 2.05 crore (P.Y. ₹ 1.85 crore) to Abhitech Developers Pvt. Ltd.

9 Provision expenses for diminution in value of investments includes ₹ 0.00 crore (P.Y. ₹ 5.00) against Investment in Bajaj Aviation Private Limited.

10 Provision expenses for doubtful debts includes ₹ 7.47 crore (P.Y. ₹ 12.10 crore) for Bajaj Aviation Private Limited, ₹ (0.76) crore (P.Y. ₹ 0.84 crore) for Bajaj Energy Limited, ₹ 0.08 crore (P.Y. ₹ 0.01 crore) for Lalitpur Power Generation Company Limited, ₹ (227) (P.Y. ₹ 227) for Anand Engineering Ltd.

11 Provision expenses for doubtful loans given - unsecured (Includeing accrued interest) includes ₹ 0.00 crore (P.Y. ₹ 43.00) for Bajaj Aviation Private Limited and ₹ 0.00 crore (P.Y. ₹ 12.72) for Bajaj Hindusthan (Singapore) Private Limited.

12 Deposit given repaid includes ₹ 0.64 crore (P. Y. ₹ 0.00) to Abhitech Developers Pvt. Ltd.

13 Restructured term loan from banks aggregating to ₹5,486.56 crore are secured by personal guarantee of Mr.Kushagra Bajaj (Chairman) and corporate guarantee by M/s Bajaj International Realty Private Limited (a promoter group company) and pledge of entire shares held by the promoters of the Company.

14 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.

15 Investment include ₹ 92.32 crore in 2,70,01,000 (P.Y. 2,70,01,000) Shares of Bajaj Hindusthan (Singapore) Private Ltd., Singapore of S$ 1/- each, ₹ 0.02 crore in 20,000 (P.Y. 20,000) Shares of Bajaj Power Generation Pvt. Ltd. of ₹10/- each, ₹ 5.00 crore in 50,00,000 (P.Y. 50,00,000) Shares of Bajaj Aviation Private Ltd. of ₹ 10/- each, ₹ 770.13 crore in 1,54,39,900 (P.Y. 1,54,39,900) Shares of Lalitpur Power Generation Company Limited of ₹10/- each

16 Loans Taken includes ₹110.50 crore (P.Y. ₹ 110.50 crore) from Mr. Kushagra Bajaj, ₹ 89.50 crore (P.Y. ₹ 89.50 crore) from SKB Roop Commercial LLP, ₹ 6.49 crore (P.Y. ₹ 6.49 crore) from Shishir Bajaj Family Trust, ₹ 1.39 crore (P.Y. ₹ 1.39 crore) from Anand Engineering Limited, ₹ 4.11 crore (P.Y. ₹ 4.11 crore) from Lambodar Stocks Private Limited.

17 Trade Receivable includes ₹ 53.96 crore (P.Y. ₹ 46.51 crore) to Bajaj Aviation Private Limited, ₹ 3.16 crore (P.Y. ₹ 6.47 crore) to Bajaj Energy Limited, ₹ 0.00 (P.Y.₹ 11,328) to Anand Engineering Limited, ₹ 0.49 crore (P.Y. ₹ 0.21 crore) to Lalitpur Power Generation Company Limited

18 Loan given - secured (including accrued interest) include ₹ 1,579.43 crore (P.Y. ₹ 1,579.43 crore) to Bajaj Power Generation Private Limited.

19 Loans given - unsecured (Including accrued interest) include ₹ 42.99 crore (P.Y. ₹ 42.99 crore) to Bajaj Aviation Private Limited and ₹ 12.72 crore (P.Y. ₹ 12.29 crore) to Bajaj Hindusthan (Singapore) Pte. Limited.

20 Deposit given include ₹ 0.38 crore (P.Y. ₹ 0.38 crore) to Bajaj Capital Venture Private Limited, ₹ 0.90 crore (P.Y. ₹ 0.90 crore) to Shishir Bajaj Familiy Trust and ₹ 3.11crore (P.Y. ₹ 3.76 crore) to Abhitech Developers Private Limited.

21 Provision for diminution in value of investments includes ₹ 0.00 crore (P.Y. ₹ 5.00 crore) against Investment in Bajaj Aviation Private Limited.

22 Provision for doubtful debts includes ₹ 42.37 crore (P.Y. ₹ 34.90 crore) for Bajaj Aviation Private Limited, ₹ 0.31 crore (P.Y. ₹ 1.07 crore) for Bajaj Energy Limited, ₹ 0.09 crore (P.Y. ₹ 0.01) for Lalitpur Power Generation Company Limited, ₹ 0.00 (P.Y. 227) for Anand Engineering Ltd.

23 Provision for doubtful loans given - unsecured (Includeing accrued interest) includes ₹ 42.99 crore (P.Y. ₹ 42.99) for Bajaj Aviation Private Limited and ₹ 12.72 crore (P.Y. ₹ 12.72) for Bajaj Hindusthan (Singapore) Private Limited.

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, 2021 payable to the JLF lenders as per MRA is approximately ₹280.75 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 Rs 8284.59 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 Re 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 lender. Further the MFA (Master Framework Agreement) has an observation to recover the outstanding loans and advances, as specified in agreement, in phased manner, but no time line has been stipulated.

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.

41 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 12
- Loans given to others and guarantees/ securities given by the Company as at March 31, 2021 are as under:

Sr. No.		Name of the Company	Nature	As at March 31, 2021 ₹ Crore	As at March 31, 2020 ₹ Crore
	(i)	Ojas Industries Private Ltd.	Loan for business purposes	**511.86**	511.86
	(ii)	Lalitpur Power Generation Company Ltd.	Guarantee/securities given	**661.25**	661.25

42 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 counter party 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 custome` Company monitors the payment track record of the custome` 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, 2021	**204.83**	**67.68**	**272.51**
As at March 31, 2020	145.18	75.48	220.66

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, 2019	34.30
Provided during the year	14.30
Reversal of provision	(0.24)
Amounts written off	(0.88)
As at March 31, 2020	47.48
Provided during the year	6.31
Reversal of provision	-
Amounts written off	(0.01)
As at March 31, 2021	**53.78**

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, 2021 (₹ Crore)**				
	Carrying amount	**On demand**	**0-12 months**	**More than 12 months**	**Total**
Borrowings	5,381.41	-	579.09	4,802.32	5,381.41
Trade payables	4,459.92	4,459.92	-	-	4,459.92
Other financial liabilities	22.51	-	22.51	-	22.51
Total	**9,863.84**	**4,459.92**	**601.60**	**4,802.32**	**9,863.84**

Particulars	As at March 31, 2020 (₹ Crore)				
	Carrying amount	On demand	0-12 months	More than 12 months	Total
Borrowings	5,486.99	-	347.46	5,139.53	5,486.99
Trade payables	4,439.52	4,439.52	-	-	4,439.52
Other financial liabilities	49.98	-	49.98	-	49.98
Total	9,976.49	4,439.52	397.44	5,139.53	9,976.49

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, 2021	**100**	**+/(-)**	**53.81**
For year ended March 31, 2020	100	+/(-)	54.87

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, 2021	₹ 1	+/(-)	0.66
For year ended March 31, 2020	₹ 1	+/(-)	0.78

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.

43 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 it's 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 credit worthiness.

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, 2021 (₹ Crore)**			
	Carrying amount	**Level 1**	**Level 2**	**Level 3**
Financial Assets at amortised cost				
Trade receivables	218.73	-	-	-
Cash and cash equivalents	63.00	-	-	-
Bank balances	8.89	-	-	-
Loans - current	2,091.29	-	-	-
Other financial assets – non current	3.98	-	3.98	-
Total	**2,385.89**	**-**	**3.98**	**-**
Financial assets at fair value through				
Other comprehensive income				
Investments	818.03	-	-	818.03
Total	**818.03**	**-**	**-**	**818.03**
Financial liabilities at amortised cost				
Borrowings – non current	4,802.32	-	-	-
Borrowing – current	-	-	-	-
Trade payables	4,459.92	-	-	-
Other financial liabilities- non current	4.84	-	-	-
Other financial liabilities- current	596.76	-	-	-
Total	**9,863.84**	**-**	**-**	**-**

Particulars	As at March 31, 2020 (₹ Crore)			
	Carrying amount	Level 1	Level 2	Level 3
Financial Assets at amortised cost				
Trade receivables	173.18	-	-	-
Cash and cash equivalents	100.69	-	-	-
Bank balances	10.49	-	-	-
Loans - current	2,091.29	-	-	-
Other financial assets – non current	2.07		2.07	-
Total	2,377.72	-	2.07	-
Financial assets at fair value through				
Other comprehensive income				
Investments	869.47	-	-	869.47
Total	869.47	-	-	869.47
Financial liabilities at amortised cost				
Borrowings – non current	5,139.53	-	-	-
Borrowing – current	-	-	-	-
Trade payables	4,439.52	-	-	-
Other financial liabilities- non current	7.28	-	-	-
Other financial liabilities- current	390.16	-	-	-
Total	9,976.49	-	-	-

During the year ended March 31, 2021 there was no transfers between level 2 and level 3 fair value hierarchy.

During the year ended March 31, 2020 there was 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, 2019	924.06
Less: Fair value loss recognised in Other	
Comprehensive Income	(54.59)
Balance as on March 31, 2020	869.47
Less: Fair value loss recognised in Other	
Comprehensive Income	(51.44)
Balance as on March 31, 2021	818.03

44 The Company has exposure aggregating to ₹ 1,683.35 crore, in its three wholly-owned subsidiaries and ₹ 598.04 crore in other companies, aggregating to ₹ 2,281.39 crore, by way of investments, loans, accumulated interest on these loans, and receivables. Management is of the view that sufficient efforts are being undertaken to revive the said subsidiaries in the foreseeable future so as to recover carrying value of the investments, loans, receivables, and the diminution/provisions, if any exists, is only of temporary nature. Further investments made, loans given and receivable due from other companies are also considered good and recoverable / realisable based on the future business plan of these companies, and on-going efforts towards obligation casted on the Company and its promoters to recover the outstanding loans in phased manner and accordingly no provision, other than those already accounted for, has been considered necessary. Auditors have drawn emphasis of matter in their audit report. Further on the basis of principle of conservatism and prudence, the Company has not recognised interest income for the quarter and year ended on March 31, 2021, of ₹ 35.90 core and ₹ 145.61 crore respectively, on inter corporate loans, as and when it is recoverable it will be recognized in the books.

45 The Company has adopted IND AS 116 with modified retrospective approach, with effect from April 1, 2019. Accordingly the comparative periods have not been restated. There is no impact of IND AS 116 adoption to the retained earnings as at April 1, 2019. The Company has recognized ₹ 11.54 crore as right of use assets and the corresponding lease liability on the date of transition i.e. April 1, 2019. Further, an amount of ` 0.56 Crore has been reclassified from non-current assets to right of use assets against security given for lease in previous period to depreciate for the right of use assets and finance cost for interest accrued on lease liability.

1 The expense relating to payments not included in the measurement of the lease liability is as follows:

	₹ in Crore
Particulars	
Short-term leases	1.80
Leases of low value assets	-
Variable lease payments	-
Total	**1.80**

2 Additional profit or loss and cash flow information

	₹ in Crore
Particulars	
Income from subleasing ROU	-
Total cash outflow in respect of leases in the year	5.04

3 The undiscounted maturity analysis of lease liabilities at March 31, 2020 is as follows:

Particulars	Within 1 year	1-2 years	2-3 years	3-4 years	4-5 years	5-6 years	Total
31-Mar-21							
Lease payments	3.15	2.82	2.57	0.03	-	-	8.57
Finance charge*	0.71	0.43	0.15	-	-	-	1.29
31-Mar-20							
Lease payments	3.24	3.15	2.82	2.57	0.03	-	11.81
Finance charge*	0.98	0.71	0.43	0.15	-	-	2.27

*Finance Charges in 4-5 & 5-6 years ₹ 3,314/-

4 The following is a reconciliation of total operating lease commitments at 31 March, 2020 (as disclosed in the financial statements to 31 March 2020) to the lease liabilities recognised at 1 April, 2020:

	₹ in crore
Particulars	
Total operating lease commitments disclosed at March 31, 2020	11.81
Recognition exemptions:	
Leases of low value assets	-
Leases with remaining lease term of less than 12 months	-
Variable lease payments not recognised	-
Other minor adjustments relating to commitment disclosures	-
Operating lease liabilities before discounting	11.81
Discounted using incremental borrowing rate	2.27
Operating lease liabilities	9.54
Reasonably certain extension options	
Finance lease obligations	-
Total lease liabilities recognised under Ind AS 116 at April 01, 2020	**9.54**

46 The Company and its erstwhile subsidiary Bajaj Hindusthan Sugar & Industries Limited (BHSIL, merged with the company in 2010) had made requisite minimum capital investment and established an aggregate of 11 new sugar mills and 4 distillery units and also expanded capacity of sugar mills during the years 2004 to 2008. All those mills were established & commercial production started within the time prescribed under the policy i.e. 31st March' 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 requisite investments in setting up new mills and or on capacity expansion of sugar units in state of U.P. . While for the 8 new sugar mills & 3 distilleries set up by the Company, it had already received "Eligibility Certificate", however the same is awaited for 3 new sugar mills, 1 distillery and for expansion of 1 mill of erstwhile BHSIL; all the claims had been filed by the company within stipulated time as per the scheme. Till date the Company have partly availed the benefits including capital subsidy amount. However, due to an abrupt withdrawal / discontinuation of policy in the year 2007, the balance amount of benefits and grant of eligibility certificate in respect of the mills of erstwhile subsidiary BHSIL (subsequently merged with the Company) is held up. Consequently, the Current Assets include a sum of ₹ 592.38 crore towards the aforesaid claims under 2004 Policy. The authorities started denying the benefits so the Company challenged the denial orders of the Govt based on the withdrawal / discontinuing the policy with effect from 04.06.2007, in the Hon'ble High Court of Allahabad. Basically the withdrawal of the policy w.e.f. 04.06.2007 was a preponing process of date of completion of projects i.e. 31.03.2008 which otherwise was not relevant in the case of company since it has already completed the installation and started the commercial production before the prescribed date and became eligible to avail the benefits envisaged. The Hon'ble High Court upheld the stand of the company and held that the withdrawal sugar promotion policy was arbitrary and without the application of mind. The Govt of U.P. preferred to file an SLP before the Hon'ble Supreme Court against the orders of the Hon'ble High Court of Allahabad. The Hon'ble Supreme Court turned down the stand of the Govt of U.P. and declined to interfere in the order of the Hon'ble High Court vide its order dated 07.03.2018.

Given the series of orders, and finally, from the Hon'ble Supreme Court, the company again approached the Cane Commissioner of U.P. for release of its claims. The Cane Commissioner vide its letter dates 07.06.2018 asked the company to re-submit the claim papers again in the office of Cane Commissioner. The company again filed all the complete claim papers in the prescribed formats. The company regularly followed up with the office of Cane Commissioner for settlement of its claims; and because of unreasonable delay in settlement of the company's claims, the company filed a contempt petition in the Hon'ble Supreme Court. The Cane Commissioner declined the claim of the company on unfounded grounds. Contempt petition filed by the company in Hon'ble Supreme Court was schedule for hearing on 23rd March, 2020, but due to the prevailing Covid 19 pandemic situation & subsequent lock-down, it could not be listed for hearing. As only the urgent matter were being listed in the hon'ble Supreme Court during the COVID time, the matter could not be listed for hearing. The Company expects that case will soon be listed after the reopening of the court after summer vacation.

47 The outbreak of the pandemic COVID-19 and consequent lock-down by the Government wef March 25, 2020, which initially led to closing down city-based offices of the company in compliance of lock-down rules, but there had not been material disruptions in the operations of the sugar manufacturing plants and distilleries of the Company as the Government had already classified these facilities as essential products and services; all the plants kept on working as per their capacity. The most visible impact of the pandemic and the resultant lock-down, on the Company, was a decline on the domestic demand of sugar, which may lower the average sugar realization to some extent in FY 21-20 However, the Government already had some mechanism in place to support the industry including fixation the MSP

(Minimum Selling Price) @ ₹ 31 per kg, monthly sugar sale quota, fixation of export obligation, etc to stabilize the sugar prices. The Government may further come up with some other measures to mitigate the impact if any. The other main products viz ethanol and power are not expected to be affected adversely. As per the assessment made till the date of adoption of these results, the management is of the view that the company will not be impacted adversely. Now the Government is relaxing the lock-down in phased manner consequently the commercial activities are returning to normal. The Company has considered the possible impact of internal and external factors known to the management up to the date of approval of these accounts, to assess and finalize the carrying amount of its assets and liabilities. Accordingly, as on date, no material impact is anticipated in the carrying values of the assets and their recoverability. As the situation continues to evolve, the Company will closely monitor and assess any material impact in the financial of the Company."

48 For the year ended 31.03.2021 and in earlier years, Company had incurred losses resulting into reduction of net worth to that extent. The losses were mainly attributable to high raw material i.e. sugarcane prices and other inputs cost, and relatively lower realisation of sugar due to higher production, sugar prices are determined by market forces based on the demand –supply situation and other market dynamics, which are external factors. The Company has outstanding cane dues payable to cane farmers. The Company is continuously striving for improvement in the operational efficiency in other parameters. The Company continue to operate at optimum levels and expects improvement in the operational efficiency in form of improvement in sugar recovery, Increase of production of Alcohol through using B heavy molasses, reduction of overheads, finance and other costs, monetisation of certain non-core assets etc. The debt restructuring as per RBI's S4A Scheme has resulted into improved liquidity. The Government has taken various measures to improve the financial health of sugar industry in recent past like MIEQ, buffer stock subsidy and fixing MSP for sugar; increased the prices of ethanol. All these measures are expected to turnaround the operations of sugar industry on sustainable basis. The Company also expects to receive accrued benefits under the Sugar Industries Promotion policy 2004 for which it is entitled to. In view of the above, the management expects to generate positive cash flow from operation and accordingly, the financial results are continued to be presented on going concern basis, which contemplates realisation of assets and settlement of liabilities in the normal course of business. This matter has been referred by auditors in their audit report.

49 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, 2021	March 31, 2020	Change in %
Total equity attributable to equity shareholders	**2,940.91**	3,254.28	(9.63)
Borrowings	**5,381.41**	5,486.99	(1.92)
Total Capital	**8,322.32**	8,741.27	(4.79)
Total equity attributable to equity shareholders as percentage of Total Capital	**35%**	37%	
Total Borrowing as percentage of Total Capital	**65%**	63%	

50 The financial statements were approved for issue by the Board of Directors, at its meeting held on June 8, 2021.

51 Previous year figures have been regrouped/ reclassified wherever necessary to correspond with the current year's classification/ disclosures.

Signature to notes "1" to "51"

As per our Report of even date

For R S Dani & Co
Firm Registration No.000243C
Chartered Accountants

C P Kothari
Partner
Membership No. 072229
Ajmer

For and on behalf of the Board

Kushagra Bajaj
Chairman
DIN: 00017575

Alok Kumar Vaish
Chief Financial Officer
M. No. F089930

Ashok Kumar Gupta
Managing Director
DIN: 02608184

Kausik Adhikari
Company Secretary
M. No. ACS 18556

Vinod C Sampat
Director
DIN: 09024617

Atul Hasmukhrai Mehta
Director
DIN: 00112451

Ashok Mukand
Director
DIN: 00324588

Shalu Bhandari
Director
DIN: 00012556

Mumbai, June 08, 2021

Independent Auditors' Report

To the Members of Bajaj Hindusthan Sugar Limited

Report on the Audit of the Consolidated Financial Statements
Qualified Opinion

We have audited the accompanying consolidated financial statements of Bajaj Hindusthan Sugar Limited (hereinafter referred to as the 'Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated Balance Sheet as at March 31, 2021, and the consolidated statement of Profit and Loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated cash flows Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on standalone financial statements of subsidiaries as audited by other auditors, 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 the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs (financial position) of the Group as at March 31, 2021, of consolidated profit (financial performance including other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Qualified Opinion

We draw attention to Note No. 36(I)(e) to the consolidated financial statements, regarding the non-provision of contractual obligation related to 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 Group 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, 2021 amounting to ₹ 461.10 crore. The aggregate liability for such YTM from the date of allotment of OCDs till year ended March 31, 2021 is ₹ 1390.12 crore from date of allotment of OCDs. Had such interest been provided, the reported net loss for the year ended March 2021 would have been ₹ 751.92 crore and Net worth of the Group would have been ₹ 982.10 crore.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by ICAI and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub paragraph (a) of the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements

Material Uncertainty Related to Going Concern

As stated in Note No. 49 of the consolidated financial statements, the Holding Company during the last few years has incurred losses due to high raw material cost and lower price of finished goods, resulting into reduction of net worth of the Holding Company. The Holding Company has dues payable to farmers for sugar cane purchases at year end. The Holding Company is continuously striving for improvement in the operational efficiency in other parameters. The above factors indicate a material uncertainty, which may cast significant doubt about the Holding Company's ability to continue as a going concern. The Holding Company continues to operate at optimum levels and expects improvement in the operational efficiency in the form of improvement in sugar recovery, reduction of overheads, finance and other costs, monetisation of certain non-core assets etc. The debt restructuring as per RBI's S4A Scheme, would result into improved liquidity during the next 7 years and the Government has taken different measures to improve the financial health of sugar industry. All these measures are expected to turnaround the operations of sugar industry on sustainable basis. The Holding Company also expects to receive accrued benefits under the Sugar Industries Promotion Policy 2004 for which it is entitled to. In view of the above, the management expects to generate positive cash flow from operation and 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.

The auditors of the subsidiary Bajaj Hindusthan Singapore Private Ltd have referred the matter of material uncertainty related to going concern in their audit report, but the management expect to generate positive cash flows as the subsidiary company is having investments in companies having coal mines, hence the financial statements of the subsidiary Bajaj Hindusthan Singapore Private Ltd are continued to be presented on going concern basis.

Our opinion is not modified in respect of the above matter.

Emphasis of matter

(a) As stated in Note No. 43 to the consolidated financial statements, the Holding Company has exposure aggregating to ₹ 598.04 crore in other companies, by way of investments, loans, accumulated interest on these loans and receivables. Management believes that investment made, loan given and receivables due from other companies are considered good and recoverable based on the future business plan of these companies and on-going efforts towards obligation casted on the Holding Company and its promoters to recover the outstanding loans in phased manner and accordingly no provision other than those already accounted for, has been considered necessary.

(b) We draw your attention to Note No. 46 to the consolidated financial statements which explain the uncertainties and the management's assessment of the financial impact due to the lockdowns and other restrictions and conditions related to COVID-19 pandemic situation, for which a definitive assessment of the impact in the subsequent period is highly dependent upon the circumstances as they evolve.

Our opinion is not modified in respect of these matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated 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 matter described below to be key audit matters to be communicated in our report.

The Key Audit Matters	How the matter was addressed in our audit
Impairment assessment for Investments, loans and interest on loan and receivables	
The Group has exposure aggregating to ₹ 598.04 crore in other companies, by way of investments, loans, accumulated interest on these loans and receivables Such investments / loans / receivables 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 a company which is related to the group and other companies, which comprise 4.55% of the total assets as at March 31, 2021 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 included the following: - Obtained understanding of the process, evaluated the effectiveness of controls in respect of impairment assessment of investments. - Held discussions with management regarding appropriate implementation of policy on impairment. - Evaluated the future business plan and available valuation report. - Confirmations for above exposure. - Validated the S4A Restructuring Scheme clause related to obligation on the Company to recover the loan amount. - We evaluated the impairment assessment performed by management taking into account the requirements of Ind AS 36 Impairment of Assets
Physical Verification of inventory:	
Physical verification of closing inventory done by the management as on March 31, 2021 was not attended by us and subsequent to the year-end, we have done alternative procedures due to the restrictions imposed on account of COVID-19.	We have carried out following procedures with respect to the existence of Inventory at the yearend: - Evaluated the design and implementation of the controls over physical verification of inventory and tested the operating effectiveness of these controls during the interim periods. - Obtained reports of the internal auditor of the Company for inventory verification process. - Verified the instructions provided by the management to those independent firms. Evaluated the differences identified by these internal auditor during their physical verification of inventories and it was noted that there were no major deviations found. - Verified the memorandum register related to stock maintained by the stock departments and signed by the person in charge, as on the date of the verification.

Other Information

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report, 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.

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 in the 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.

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

The Holding Company's management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income) consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act. The respective management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective management and Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors 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 responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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 consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the 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 Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 consolidated 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 of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para (a) of the section titled 'Other Matters' in this audit report.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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 consolidated 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.

Other Matters

(a) We did not audit the financial statements of three subsidiaries, whose financial statements reflect total assets of ₹1,729.12 crore as at March 31, 2021, total revenue ₹ 6.68 crore and net cash inflows of ₹7.45 crore for the year on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports 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-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

One of these subsidiaries is located outside India whose financial statements have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiary located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

(b) We have relied on the unaudited financial statements of two stepdown subsidiaries located outside India, whose financial statements reflect total assets of ₹5.00 crore as at March 31, 2021, total revenue of ₹ Nil and net cash outflows of ₹0.03 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 subsections (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, and our report on Other Legal and Regulatory Requirements below, 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.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on standalone financial statements of subsidiaries as audited by other auditors, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:

(a) We have sought and except for the matter described in Basis for Qualified Opinion section, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

(b) Except for the possible effects of the matter described in the Basis of Qualified opinion paragraph above, in our

opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

(d) In our opinion, except for the matter described in Basis for Qualified Opinion section, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with Companies (Indian Accounting Standard) Rules, 2015, as amended.

(e) The matters described in 'Basis for Qualified Opinion' paragraph and the Going concern matter described under Material Uncertainty related to Going Concern paragraph above, in our opinion, may have an adverse effect on the functioning of the Group.

(f) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2021 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies, incorporated in India is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164(2) of the Act.

(g) The reservation relating to maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified opinion paragraph.

(h) With respect to the adequacy of internal financial controls with reference to financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure 'A'.

(i) With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Holding Company and its subsidiary companies, where applicable, to its directors during the current year is in accordance with the provisions of Section 197 of the Act read with schedule V of the Act

(j) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on standalone financial statements of the subsidiaries as noted in the 'Other Matters' paragraph:

i. The consolidated financial statements disclose the 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 Ind AS, for material foreseeable losses, 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 Holding Company and its subsidiary company incorporated in India.

For **R S Dani & Co**
Chartered Accountants
Firm Registration No. 000243C

C P Kothari
Partner
Membership No. 072229

Ajmer
Dated: June 08, 2021

Annexure 'A'

Annexure to the independent auditor's report of even date on the Consolidated financial statements of Bajaj Hindusthan Sugar Limited

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

Qualified Opinion

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2021, we have audited the internal financial controls with reference to consolidated financial statements of Bajaj Hindusthan Sugar Limited (hereinafter referred to as "the Holding Company") and its subsidiary company, which are companies incorporated in India, as of that date.

According to the information and explanations given to us and based on our audit, the following material weakness has been identified as at March 31, 2021:

The Holding Company has not provided the premium payable on Optionally Convertible Debentures (OCDs) at the time of redemption of OCDs as a contractual obligation.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control with reference to financial statements, such that there is a reasonable possibility that a material misstatement of the Company's annual or interim financial statements will not be prevented or detected on a timely basis.

We have considered material weakness identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit for the year ended March 31, 2021, and these material weaknesses affect our opinion on financial statements of the Holding Company for the year ended March 31, 2021.

In our opinion, except for the effects / possible effects of the material weakness described above under Qualified Opinion paragraph on the achievement of the objectives of the control criteria, the Holding Company and its subsidiary company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to consolidated financial statements and such internal financial controls were operating effectively as at March 31, 2021, based on the internal financial control with reference to consolidated financial statements 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 ("the Guidance Note").

Management's Responsibility for Internal Financial Controls

The Board of Directors of the of the Holding company, its subsidiary company which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective company considering the essential components of internal control stated in the Guidance Note. 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

Our responsibility is to express an opinion on the Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. 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 with reference to consolidated financial statements 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 with reference to consolidated financial statements and their operating effectiveness.

Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of such internal financial controls, 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 consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to consolidated financial statements.

Meaning of Internal Financial Controls with reference to Consolidated Financial Statements

A company's internal financial control with reference to consolidated financial statements 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 with reference to consolidated financial statements 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 with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, 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 with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements in so far as it relates to a subsidiary company, which is company incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For **R S Dani & Co**
Chartered Accountants
Firm Registration No. 000243C

C P Kothari
Partner
Membership No. 072229

Ajmer
Dated: June 08, 2021

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2021

Particulars	Note	As at March 31, 2021 ₹ crore	As at March 31, 2020 ₹ crore
ASSETS :			
Non-current assets			
Property, plant and equipment	3	**6,986.68**	7,184.62
Right of use assets	3	**6.78**	9.44
Capital work-in-progress	3	**35.24**	52.81
Other intangible assets	3	**-**	-
Financial assets			
Investments	4	**47.90**	99.34
Other non-current financial assets	5	**3.98**	2.07
Other non-current assets	6	**262.10**	262.71
Sub total		**7,342.68**	7,610.99
Current assets			
Inventories	7	**2,541.34**	2,711.39
Financial assets			
Current investments	8	**1,036.98**	1,036.98
Trade receivables	9	**213.14**	168.96
Cash and cash equivalents	10	**73.78**	104.01
Bank balances	11	**9.16**	10.94
Loans and interest accrued	12	**1,092.03**	1,095.42
Current tax assets (net)	13	**19.59**	18.54
Other current assets	14	**807.06**	791.13
Sub total		**5,793.08**	5,937.37
Total Assets		**13,135.76**	13,548.36
EQUITY AND LIABILITIES :			
Equity			
Equity share capital	15	**110.07**	110.07
Other equity	16	**2,262.17**	2,587.05
Non controlling interest		**(0.02)**	(0.02)
Sub total		**2,372.22**	2,697.10
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	17	**4,802.32**	5,139.53
Other financial liabilities	18	**4.84**	7.28
Provisions	19	**76.58**	69.26
Deferred tax liabilities	20	**590.94**	610.07
Other non-current liabilities	21	**35.84**	25.98
Sub total		**5,510.52**	5,852.12
Current liabilities			
Financial liabilities			
Borrowings	22	**20.72**	6.40
Trade payables :-			
total outstanding micro enterprises and small enterprises	23	**19.72**	7.97
total outstanding other than micro enterprises and small enterprises	23	**4,442.00**	4,436.49
Other financial liabilities	24	**597.02**	391.77
Other current liabilities	25	**157.37**	143.00
Provisions	26	**16.19**	13.51
Sub total		**5,253.02**	4,999.14
Total Equity and Liabilities		**13,135.76**	13,548.36

See accompanying notes "1" to "50" to the financial statement.

As per our Report of even date

For and on behalf of the Board

For R S Dani & Co
Firm Registration No.000243C
Chartered Accountants

C P Kothari
Partner
Membership No. 072229
Ajmer

Alok Kumar Vaish
Chief Financial Officer
M. No. F089930

Kausik Adhikari
Company Secretary
M. No. ACS 18556

Atul Hasmukhrai Mehta
Director
DIN: 00112451

Shalu Bhandari
Director
DIN: 00012556

Kushagra Bajaj
Chairman
DIN: 00017575

Ashok Kumar Gupta
Managing Director
DIN: 02608184

Vinod C Sampat
Director
DIN: 09024617

Ashok Mukand
Director
DIN: 00324588

Mumbai, June 08, 2021

Consolidated Statement of Profit & Loss for the year ended March 31, 2021

Particulars	Note	Year ended March 31, 2021 ₹ crore	Year ended March 31, 2020 ₹ crore
INCOME :			
Revenue from operations	27	**6,665.97**	6,669.34
Other income	28	**22.59**	11.98
Total Income		**6,688.56**	6,681.32
EXPENSES :			
Cost of materials consumed	29	**5,297.32**	5,363.34
Changes in Inventories of finished goods, stock-in-trade and work-in-progress	30	**193.31**	60.17
Employee benefits expense	31	**328.68**	299.78
Finance costs	32	**263.52**	300.87
Depreciation and amortisation expense	33	**215.71**	216.41
Other expenses	34	**683.73**	493.11
Total Expenses		**6,982.27**	6,733.68
Profit/(Loss) before tax		**(293.71)**	(52.36)
Tax expenses			
Deferred tax	20	**(3.08)**	(2.36)
Tax relating to earlier year		**0.19**	-
Total tax		**(2.89)**	(2.36)
Profit / (Loss) for the year after tax		**(290.82)**	(50.00)
Less: non controlling interest - ₹ 31,742/- (P.Y. ₹ (83,842)/-)		**0.00**	(0.01)
Profit / (loss) attributable to group		**(290.82)**	(49.99)
Other comprehensive income			
- Items that will not be reclassified to profit or loss	35	**(49.94)**	(60.75)
- Income tax relating to items that will not be reclassified to profit or loss	35	**16.05**	17.03
		(33.89)	(43.72)
Total Comprehensive Income for the year (Comprising Profit / (Loss) and Other Comprehensive Income for the year)		**(324.71)**	(93.71)
Profit is attributable to:			
Shareholders		**(290.82)**	(49.99)
Non controlling interest		**0.00**	(0.01)
		(290.82)	(50.00)
Other comprehensive income is attributable to:			
Shareholders		**(33.89)**	(43.72)
Non controlling interest		**-**	-
		(33.89)	(43.72)
Total comprehensive income is attributable to:			
Shareholders		**(324.71)**	(93.71)
Non controlling interest*		**0.00**	(0.01)
		(324.71)	(93.72)
Earnings per equity share of face value of ₹1/- each			
Basic and Diluted	37	**(2.64)**	(0.45)

See accompanying notes "1" to "50" to the financial statement.

As per our Report of even date

For R S Dani & Co
Firm Registration No.000243C
Chartered Accountants

C P Kothari
Partner
Membership No. 072229
Ajmer

For and on behalf of the Board

Alok Kumar Vaish
Chief Financial Officer
M. No. F089930

Kausik Adhikari
Company Secretary
M. No. ACS 18556

Atul Hasmukhrai Mehta
Director
DIN: 00112451

Shalu Bhandari
Director
DIN: 00012556

Kushagra Bajaj
Chairman
DIN: 00017575

Ashok Kumar Gupta
Managing Director
DIN: 02608184

Vinod C Sampat
Director
DIN: 09024617

Ashok Mukand
Director
DIN: 00324588

Mumbai, June 08, 2021

Consolidated Cash Flow Statement for the year ended March 31, 2021

Particulars	Year ended March 31, 2021 ₹ crore	Year ended March 31, 2020 ₹ crore
A. Cash flow from operating activities:		
Net profit/ (loss) before tax	**(293.71)**	(52.36)
Adjustment for:		
Depreciation and amortisation	**215.71**	216.41
Reversal of reserve for molasses storage tank-for repair work	**(0.17)**	(1.57)
Provision for doubtful Debts/ Bad Debts Written off	**(0.09)**	1.95
Loss/ (surplus) on sale of property, plant and equipment (net)	**(4.56)**	0.69
Finance costs	**263.52**	300.87
Interest income	**(0.99)**	(2.37)
Exchange fluctuation reserve on consolidation	**(0.29)**	0.11
	473.13	516.09
Operating profit before working capital changes	**179.42**	463.73
Adjustment for:		
Trade and other receivables	**(60.07)**	18.11
Inventories	**170.05**	53.59
Trade and other payables	**51.66**	376.90
Cash generated from operations	**341.06**	912.33
Direct taxes paid	**(1.24)**	(2.05)
Net cash from/(used in) operating activities	**339.82**	910.28
B. Cash flow from investing activities:		
Purchase of property, plant and equipment	**(2.54)**	(28.90)
Sale of property, plant and equipment	**9.57**	0.21
Movement in Loans and advances	**3.39**	4.63
Interest received	**1.04**	2.67
Net cash from/(used) in investing activities	**11.46**	(21.39)
C. Cash flow from financing activities:		
Repayment of long term borrowings	**(226.48)**	(547.70)
Proceeds from short term borrowings (net of repayments)	**14.32**	1.99
Interest paid	**(169.29)**	(292.93)
Dividend paid	**(0.06)**	(0.13)
Net cash from/ (used in) financing activities	**(381.51)**	(838.77)
Net increase/(decrease) in cash and cash equivalents	**(30.23)**	50.12
Cash and cash equivalents (opening balance)	**104.01**	53.89
Cash and cash equivalents (closing balance) (refer note 10)	**73.78**	104.01

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, 2020	5,139.53	347.46	6.40	5,493.39
Cashflow	(458.11)	231.63	14.32	(212.16)
Non cash transaction	120.90	-	-	120.90
As at March 31, 2021	4,802.32	579.09	20.72	5,402.13

Non-cash transaction

4. Notional interest ₹ 14.13 crore on promoters loan credited to promoter's loan account (Refer note 17.4).

See accompanying notes "1" to "50" to the financial statement.

As per our Report of even date

For R S Dani & Co
Firm Registration No.000243C
Chartered Accountants

C P Kothari
Partner
Membership No. 072229
Ajmer

For and on behalf of the Board

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Director
DIN: 09024617

Ashok Mukand
Director
DIN: 00324588

Mumbai, June 08, 2021

Statement of Changes in Equity

A Equity share capital

₹ Crore

Particulars	Amount
Equity share capital	113.36
Less: Investment in BHL Security Trust and ESOP Trust	(3.29)
Equity share capital as at April 1, 2019	110.07
Change during the year	-
Equity share capital as at March 31, 2020	110.07

Particulars	Amount
Equity share capital	113.36
Less: Investment in BHL Security Trust and ESOP Trust	(3.29)
Equity share capital as at April 1, 2020	110.07
Change during the year	-
Equity share capital as at March 31, 2021	110.07

B Other equity

₹ Crore

	Reserve and surplus						Item of other comprehensive income			
Particulars	Retained earnings	Capital re-demption reserve	Secu-rities premi-um	General reserve	Reserve for molasses storage tanks	Equity compo-nent of com-pound financial instru-ment	Exchange differences on trans-lating the financial statements of a foreign operation	Gain / (loss) on Investment through FVOCI	Actuarial gain / (loss)on employee benefit plans through OCI	Total
As at April 01, 2019	**(1,710.89)**	**0.05**	**4,185.31**	**156.05**	**2.85**	**146.54**	**(0.94)**	**(84.56)**	**(12.08)**	**2,682.33**
Profit for the period	(49.99)	-	-	-	-	-	-	-	-	(49.99)
Other comprehensive income for the year	-	-	-	-	-	-	-	(37.56)	(6.27)	(43.83)
Transfer to molasses storage fund	(0.82)	-	-	-	0.82	-	-	-	-	-
Transfer to general reserve from molasses storage fund	-	-	-	-	(1.57)	-	-	-	-	(1.57)
	-	-	-	-	-		0.11	-	-	0.11
As at March 31, 2020	**(1,761.70)**	**0.05**	**4,185.31**	**156.05**	**2.10**	**146.54**	**(0.83)**	**(122.12)**	**(18.35)**	**2,587.05**
Profit for the period	(290.82)	-	-	-	-	-	-			(290.82)
Other comprehensive income for the year	-	-	-	-	-	-	-	(35.39)	1.79	(33.60)
Transfer to molasses storage fund	(0.96)	-	-	-	0.96	-	-	-	-	-
Utilisation of fund for maintenance of molasses tanks	-	-	-	-	(0.17)	-	-	-	-	(0.17)
Exchange differences on translating the financial statements of a foreign operation										
	-	-	-	-	-	-	(0.29)	-	-	(0.29)
As at March 31, 2021	**(2,053.48)**	**0.05**	**4,185.31**	**156.05**	**2.89**	**146.54**	**(1.12)**	**(157.51)**	**(16.56)**	**2,262.17**

As per our Report of even date

For R S Dani & Co
Firm Registration No.000243C
Chartered Accountants

C P Kothari
Partner
Membership No. 072229
Ajmer

For and on behalf of the Board

Alok Kumar Vaish
Chief Financial Officer
M. No. F089930

Kausik Adhikari
Company Secretary
M. No. ACS 18556

Atul Hasmukhrai Mehta
Director
DIN: 00112451

Shalu Bhandari
Director
DIN: 00012556

Kushagra Bajaj
Chairman
DIN: 00017575

Ashok Kumar Gupta
Managing Director
DIN: 02608184

Vinod C Sampat
Director
DIN: 09024617

Ashok Mukand
Director
DIN: 00324588

Mumbai, June 08, 2021

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 Bombay Stock Exchange and National Stock Exchange. The registered office of the Company is situated at Golagokarannath, Lakhimpur – Kheri, District Kheri, Uttrar Pradesh – 262 802, and it's 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 31st March, 2021 and are prepared in Indian Rupees being the functional currency. The values in Indian Rupees are rounded to crore, except otherwise indicated.

2A Accounting policies

(i) **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

(ii) **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, 2021	Financial year ends on
Subsidiaries:			
Bajaj Aviation Private Ltd.	India	100.00%	31.03.2021

Name of the company	Country of incorporation	Holding as on March 31, 2021	Financial year ends on
Bajaj Power Generation Private Ltd.	India	100.00%	31.03.2021
Bajaj Hindusthan (Singapore) Private Ltd.	Singapore	100.00%	31.03.2021
PT.Batu Bumi Persada #	Indonesia	99.00%	31.12.2020
PT.Jangkar Prima #	Indonesia	99.88%	31.12.2020
Associates:			
Bajaj Ebiz Private Ltd. *	India	49.50%	31.03.2021
Esugarindia Ltd.*	India	69.67%	31.03.2021

Management has compiled the accounts for year ended March 31, 2021, 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.

Summary of significant accounting policies

(iii) **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.

(iv) **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 the 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.

(v) **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 recognized 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 recognized 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 amortized 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 recognized in the Statement of Profit and Loss when the asset is de- recognized."

(vi) **Leases**

Leases are accounted as per Ind AS 116 which has become mandatory from April 1, 2019. Assets taken on lease are accounted as right-of-use assets and the corresponding lease liability is accounted at the lease commencement date. Initially the right-of-use asset is measured at cost which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The lease liability is initially measured at the present value of the lease payments, discounted using the Company's incremental borrowing rate. It is remeasured when there is a change in future lease payments arising from a change in an index or a rate, or a change in the estimate of the guaranteed residual value, or a change in the assessment of purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the rightof-use asset, or is recorded in the Statement of Profit and Loss if the carrying amount of the right-of-use asset has been reduced to zero. The right-of-use asset is measured by applying cost model i.e. right-of-use asset at cost less accumulated depreciation and cumulative impairment, if any. The right-of-use asset is depreciated using the straight-line method from the commencement date to the end of the lease term or useful life of the underlying asset whichever is earlier. Carrying amount of lease liability is increased by interest on lease liability and reduced by lease payments made. Lease payments associated with following leases are recognised as expense on straight-line basis:

(i) Low value leases; and
(ii) Leases which are short-term.

Assets given on lease are classified either as operating lease or as finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. Initially asset held under finance lease is recognised in balance sheet and presented as a receivable at an amount equal to the net investment in the lease. Finance income is recognised over the lease term, based on a pattern reflecting a constant periodic rate of return on Company's net investment in the lease. A lease which is not classified as a finance lease is an operating lease. The Company recognises lease payments in case of assets given on operating leases as income on a straight-line basis. The Company presents underlying assets subject to operating lease in its balance sheet under the respective class of asset."

(vii) **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 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."

(viii) **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.

(ix) **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."

(x) **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.

(xi) **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.

(xii) **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.

(xiii) **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."

(xiv) **Employee benefits**

"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." The company has adopted the amended provisions of the IND AS 19 with effect from 1st of April 2019. The Company does not have any impact on account of this amendment."

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.

v) The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. The Code would impact the contributions by the Company towards Provident Fund and Gratuity. However, the date on which the Code will come into effect has not been notified. The Group will evaluate the impact and will give appropriate impact in the financial statements in the period in which, the Code becomes effective.

(xv) **Taxation**

"Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments : On March 30, 2019, Ministry of Corporate Affairs had 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 Company has adopted 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."

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.

(xvi) **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.

(xvii) **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 1st April, 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).

(xviii) **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.

(xix) **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.

(xx) **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 recognized in the OCI. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized 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 recognized 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 amortized 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 amortized cost using the effective interest rate (EIR) method. Gains and losses are recognized in statement of profit and loss when liabilities are derecognized. Amortized 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 amortization is included as finance cost in the statement of 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 derecognizes 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 derecognized 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 realization 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.

(xxi) **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.

2B 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 recognized 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) **Estimation uncertainty relating to the global health pandemic on COVID-19**

In assessing the recoverability of receivables including unbilled receivables, contract assets and contract costs, goodwill, intangible assets, and certain investments, the Company has considered internal and external information up to the date of approval of these consolidated financial statements including credit reports and economic forecasts wherever applicable on the basis of assessment and materiality. The Company has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets. The impact of the global health pandemic may be different from that estimated as at the date of approval of these interim condensed consolidated financial statements and the Company will continue to closely monitor any material changes to future economic conditions

viii) **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.

ix) **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

		Land Freehold	Land Leasehold	Buildings	Plant & machinery	Furniture, fixtures & Office equipment	Vehicles	Total	Capital Work in Progress	Grand Total
a)	**Gross Block**									
	Balance as at 31st March, 2019	**3,712.55**	**1.02**	**1,277.96**	**5,457.45**	**47.08**	**137.61**	**10,633.67**	**26.35**	**10,660.02**
	Additions	-	-	-	1.21	0.91	0.32	2.44	28.19	30.63
	Disposals & Adjustments	-	-	0.01	1.76	0.32	0.88	2.97	1.73	4.70
	Balance as at 31st March, 2020	**3,712.55**	**1.02**	**1,277.95**	**5,456.90**	**47.67**	**137.05**	**10,633.14**	**52.81**	**10,685.95**
	Additions	-	-	-	19.50	0.59	0.02	20.11	1.59	21.70
	Disposals & Adjustments	-	-	0.01	1.23	0.50	8.12	9.86	19.16	29.02
	Balance as at 31st March, 2021	**3,712.55**	**1.02**	**1,277.94**	**5,475.17**	**47.76**	**128.95**	**10,643.39**	**35.24**	**10,678.63**
	Accumulated Depreciation									
	Balance as at 31st March, 2019	**-**	**0.30**	**332.87**	**2,794.58**	**43.31**	**65.78**	**3,236.84**	**-**	**3,236.84**
	Additions	-	0.03	29.13	177.42	0.90	6.27	213.75	-	213.75
	Disposals & Adjustments	-	-	-	0.93	0.28	0.86	2.07	-	2.07
	Balance as at 31st March, 2020	**-**	**0.33**	**362.00**	**2,971.07**	**43.93**	**71.19**	**3,448.52**	**-**	**3,448.52**
	Additions	-	0.04	29.01	177.03	0.87	6.10	213.05	-	213.05
	Disposals & Adjustments	-	-	0.01	0.80	0.50	3.55	4.86	-	4.86
	Balance as at 31st March, 2021	**-**	**0.37**	**391.00**	**3,147.30**	**44.30**	**73.74**	**3,656.71**	**-**	**3,656.71**
	Net Block									
	Balance as at 31st March, 2020	**3,712.55**	**0.69**	**915.95**	**2,485.83**	**3.74**	**65.86**	**7,184.62**	**52.81**	**7,237.43**
	Balance as at 31st March, 2021	**3,712.55**	**0.65**	**886.94**	**2,327.87**	**3.46**	**55.21**	**6,986.68**	**35.24**	**7,021.92**

(b)	Right-of-use asset		₹ Crore
		Right-of-use asset	Total
	Gross Block		
	Balance as at 31st March, 2019	-	-
	Additions	12.10	12.10
	Disposals & Adjustments	-	-
	Balance as at 31st March, 2020	**12.10**	**12.10**
	Additions	-	-
	Disposals & Adjustments	-	-
	Balance as at 31st March, 2021	**12.10**	**12.10**
	Accumulated Depreciation		
	Balance as at 31st March, 2019	**-**	**-**
	Additions	2.66	2.66
	Disposals & Adjustments	-	-
	Balance as at 31st March, 2020	**2.66**	**2.66**
	Additions	2.66	2.66
	Disposals & Adjustments	-	-
	Balance as at 31st March, 2021	**5.32**	**5.32**
	Net Block		
	Balance as at 31st March, 2020	**9.44**	**9.44**
	Balance as at 31st March, 2021	**6.78**	**6.78**

(c)	Other Intangible assets		₹ Crore	₹ Crore
		Goodwill on Consolidation	Computer Software	Total
	Gross Block			
	Balance as at 31st March, 2019	**78.27**	**0.02**	**78.29**
	Additions	-	-	-
	Disposals & Adjustments	-	-	-
	Balance as at 31st March, 2020	**78.27**	**0.02**	**78.29**
	Additions	-	-	-
	Disposals & Adjustments	-	-	-
	Balance as at 31st March, 2021	**78.27**	**0.02**	**78.29**
	Accumulated Depreciation			
	Balance as at 31st March, 2019	**78.27**	**0.02**	**78.29**
	Additions	-	-	-
	Disposals & Adjustments	-	-	-
	Balance as at 31st March, 2020	**78.27**	**0.02**	**78.29**
	Additions	-	-	-
	Disposals & Adjustments	-	-	-
	Balance as at 31st March, 2021	**78.27**	**0.02**	**78.29**
	Net Block			
	Balance as at 31st March, 2020			
	Balance as at 31st March, 2021	**-**	**0.00**	**0.00**

Note:
Assets pledged as security refer note no. 17.3

		As at March 31, 2021 ₹ crore	As at March 31, 2020 ₹ 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 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)
		-	-

	As at March 31, 2021 ₹ crore	As at March 31, 2020 ₹ crore
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	**(322.58)**	(271.14)
	47.90	99.34
Total Non-trade investments	**47.90**	99.34
Total	**47.90**	99.34
Aggregate value of unquoted investment	**47.90**	99.34
Category wise non current investments		
Financial assets measure at fair value through other comprehensive income	**47.90**	99.34
Total	**47.90**	99.34
5 Other non-current assets		
(Unsecured considered good)		
Fixed deposits *	**3.98**	2.07
	3.98	2.07
* Having maturity after 12 months from the reporting date and earmarked ₹ 0.73 crore (P.Y. ₹ 0.41 crore) for specific purposes.		
6 Other non-current assets		
(Unsecured considered good unless otherwise stated)		
Advance for purchase of land	**248.00**	248.00
Taxes paid under protest	**6.92**	6.92
Security deposit to related parties (refer note 39)	**4.69**	4.59
Security deposits - Good	**2.49**	3.20
Security deposits - Doubtful	**0.30**	0.30
Provision for bad and doubtful - Security deposit	**(0.30)**	(0.30)
	-	-
	262.10	262.71
7 Inventories		
(At cost or net realisable value whichever is lower, unless otherwise stated)		
Raw materials	**8.33**	4.37
Stores, spares & packing materials	**112.16**	92.86
Finished goods	**2,093.28**	2,398.39
By-products	**301.78**	154.00
Work-in-process	**25.79**	61.77
	2,541.34	2,711.39

- Includes inventories of ₹ 1077.31 crore (P.Y. ₹ 514.44 crore) carrying at fair value less than cost to sale.

- Inventories pledged as a securities - refer note no 17.3.

	As at March 31, 2021 ₹ crore	As at March 31, 2020 ₹ crore
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**	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	1,036.98

These investments are pledged against loans taken by the 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	**213.14**	168.96
Considered doubtful	**12.49**	12.57
Less : Provision for doubtful debts	**(12.49)**	(12.57)
	-	-
	213.14	168.96
10 Cash and cash equivalents		
Balance with banks		
Current account	**73.23**	103.23
Cheques, draft on hand	**0.01**	0.04
Cash on hand	**0.54**	0.74
	73.78	104.01
11 Bank balances		
Balance with banks (unpaid dividend)	**-**	0.06
Fixed deposits *	**9.16**	10.88
	9.16	10.94

*Includes ₹ 5.49 crore (P.Y. ₹ 7.61 crore) earmarked for specific purposes.

12 Loans and interest accrued		
(Unsecured considered good, unless otherwise stated)		
Loans & advances to others -good	**656.86**	656.14
-doubtful	**2.29**	2.29
-sub total	**659.15**	658.43
Less:-Provision for doubtful loans & advances	**(2.29)**	(2.29)
	656.86	656.14
Interest receivable on loans - others	**435.17**	439.28
Total*	**1,092.03**	1,095.42
***Out of above:**		
Secured by pledge of investment	**511.86**	511.86
Unsecured	**582.46**	585.85
	1,094.32	1,097.71
Less:-Provision for doubtful loans & advances	**(2.29)**	(2.29)
	1,092.03	1,095.42

	As at March 31, 2021 ₹ crore	As at March 31, 2020 ₹ crore
13 Current tax assets (net)		
Advance income tax (net of provisions)		
At the start of year	**18.54**	16.49
Charged during the year	**1.08**	0.90
Refund received during the year	**(0.16)**	(3.93)
Others	**0.13**	5.08
At the end of year	**19.59**	18.54
14 Other current assets		
(Unsecured considered good)		
MAT credit entitlement	**79.44**	79.44
Receivable under SPP (refer note 45)	**592.38**	592.38
Claim/ refund recoverable in cash or in kind or for value to be received	**14.37**	13.37
Duty drawback receivable	**0.11**	0.09
Other advances* - Good	**120.76**	105.85
- Doubtful	**0.88**	0.88
	807.94	792.01
Less: Provision for doubtful advances	**(0.88)**	(0.88)
	807.06	791.13
* 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 (P.Y.5,00,00,00,000) Equity Shares of Re 1/- each.	**500.00**	500.00
	500.00	500.00
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 share of Re 1/- (refer note no (v))	**3.11**	3.11
Share held by ESOP Trust 17,80,00,000 (P.Y. 17,80,000) equity share of Re 1/- (Refer note no (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 F.Y. 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:

₹ crore

Particulars	**As at March 31, 2021 No. of Shares**	As at March 31, 2020 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, 2021		As at March 31, 2020	
Sr. No.		**Name of Shareholders**	**No. of Shares**	**% held**	No. of Shares	% held
1		Punjab National Bank	**12,73,10,276**	**11.23%**	8,52,25,312	7.52%
2		Bajaj Resources Ltd.	**8,19,44,455**	**7.23%**	8,19,44,455	7.23%
3		Indian Bank (earlier Allahabad Bank)	**6,29,28,861**	**5.55%**	6,29,28,861	5.55%
4		Central Bank of India	**5,66,86,605**	**5.00%**	5,66,86,905	5.00%
5		IDBI Bank Limited	**-**	**0.00%**	6,15,54,823	5.43%

(v) Company hold beneficial interest in BHL Security Trust which holds 3.11 crore shares of the company allotted on amalgamation of it's subsidiary Bajaj Hindusthan Sugar and Industries Limited in 2010. Company has also formed ESOP trust under the ESOP scheme. Company has an advance Rs 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 IndAS 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, 2021 ₹ crore	As at March 31, 2020 ₹ 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**	146.54
	Closing balance	**146.54**	146.54
	General reserve		
	Opening balance	**156.05**	156.05
	Closing balance	**156.05**	156.05
	Reserve for molasses storage tanks		
	Opening balance	**2.10**	2.85
	Transferred from statement of profit & loss	**0.96**	0.82
	Utilisation of fund for maintenance of molasses tank	**(0.17)**	(1.57)
	Closing balance	**2.89**	2.10

	As at March 31, 2021 ₹ crore	As at March 31, 2020 ₹ crore
Gain / (loss) on Investment through FVOCI		
Opening balance	**(122.12)**	(84.56)
Change in during the year	**(35.39)**	(37.56)
Closing balance	**(157.51)**	(122.12)
Actuarial gain / (loss)on employee benefit plans		
Opening balance	**(18.35)**	(12.08)
Change in during the year	**1.79**	(6.27)
Closing balance	**(16.56)**	(18.35)
Exchange differences on translating the financial statements of a foreign operation		
Opening balance	**(0.83)**	(0.94)
Change during the year	**(0.29)**	0.11
Closing balance	**(1.12)**	(0.83)
Statement of profit and loss (retained earnings)		
Opening balance	**(1,761.70)**	(1,710.89)
Profit/(loss) for the year	**(290.82)**	(49.99)
Appropriations:		
Transferred to reserve for molasses storage tanks	**(0.96)**	(0.82)
Closing balance	**(2,053.48)**	(1,761.70)
	2,262.17	2,587.05

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.

17 Non-current borrowings

(At amortised cost)		
From banks		
Secured Debentures (refer note17.1)	**3,483.25**	3,483.25
Secured Term Loan	**1,187.18**	1,538.51
	4,670.43	5,021.76
From related parties		
Unsecured	**131.89**	117.77
	131.89	117.77
	4,802.32	5,139.53

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 occurance 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. "

17.2 Maturity profile of term loans are set out below :-

₹ Crore

Name of banks/financial institutions	Interest (%)	Outstanding as at March 31, 2020	Current Maturities (0-1 Year)	Maturity profile				
				2nd Year	3rd Year	4th Year	Beyond 4 Years	Refer Note No
From Banks - Term loan secured	10.15% to 10.30%	1,766.27	579.09	434.39	434.39	318.40	0	17.3
Total		1,766.27	579.09	434.39	434.39	318.40		
Total -Secured		1,766.27	579.09	434.39	434.39	318.40		
Term loans (Unsecured)								
From related parties								
Loan from promoters -1		130.09	-	-	-	-	130.09	17.4 (i)
Loan from promoters 2		1.80	-	-	-	-	1.80	17.4 (ii)
Total From related parties		131.89	-	-	-	-	131.89	
Total - Unsecured		131.89	-	-	-	-	131.89	
Grand Total		1,898.16	579.09	434.39	434.39	318.40	131.89	

17.3 Details of securities

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 Chairman (Promoter) and corporate guarantee by a promoter group company, pledge of entire shares held by the Promoters of the company in BHSL, 21,82,870 equity shares of LPGCL held by the Company and 3,63,00,011 equity shares of Bajaj Energy Ltd. held by promoters group 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 Rs 64.22 crore as debt and Rs 135.78 crore as other equity by discounting the amount @12% pa 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% pa for a tenure of 20 years.

17.5 Deferment and moratorium

Pursuant to the RBI (Reserve Bank of India) circular no. RBI/2019-20/186 dated March 27, 2020, and RBI letter dated May 22, 2020, in the wake of extended lock-down due to pandemic, permitting the banks to grant six months moratorium on repayment of loan and payment of interest falling due during March 1, 2020, and August 31, 2020. The company has sought from all the JLF (Joint Lenders Forum) Banks to avail the extended time for repayment of loan and moratorium on payment of interest as per RBI guidelines. The repayment of the loan has been extended by two quarters (six months) due to deferment of two installments, and the interest accrued during the aforesaid moratorium period, of Rs 106.78 crore, has been converted to a loan, repayable along with the last two instalments of the loan.

17.6 The principal of ₹ 121.76 crore towards the outstanding instalment of March 2021, paid during the months of April 2021 and May 2021; ₹ 15.24 crore towards the interest of March 2021 paid during the month of April 2021.

Details of delays and defaults in payment of financial obligations

Amount falling due during FY 2020-21

Name of institutions	Principal				Interest			
	No of Days - Range		Amount (Rs in crore)- Range		No of Days - Range		Amount (Rs in crore)- Range	
	Min	Max	Min	Max	Min	Max	Min	Max
Bank of Baroda	4	54	0.04	1.73	1	23	0.01	0.50
Bank of India	5	54	0.02	1.73	1	23	0.00	0.27
Bank of Maharashtra	5	59	0.00	4.35	1	28	0.03	1.35
Canara Bank	5	55	0.02	4.35	1	23	0.00	1.00
Central Bank of India	3	50	0.01	3.00	1	28	0.01	0.93
IDBI Ltd	5	42	0.00	4.45	1	26	0.01	1.32
Indian Bank (er- Allahabad Bank)	5	57	0.27	4.69	1	26	0.00	1.31
Indian Overseas Bank	5	41	0.06	2.62	1	23	0.01	0.42
Punjab National Bank	5	40	0.08	3.28	1	27	0.05	2.08
Punjab National Bank (er- OBC)	5	51	0.20	3.81	1	31	0.02	0.61
State Bank of India	1	30	0.01	4.03	1	3	0.01	4.35
UCO Bank	12	49	0.50	3.90	1	31	0.00	0.64
Union Bank (er-Corporation Bank)	5	50	0.10	2.24	4	26	0.01	0.36

		As at March 31, 2021 ₹ crore	As at March 31, 2020 ₹ crore
18	**Non current other financial liability**		
	Lease Liability	**4.84**	7.28
		4.84	7.28
19	**Non-current provisions**		
	Gratuity	**46.13**	41.27
	Leave encashment	**30.45**	27.99
		76.58	69.26

		As at Apr. 01, 2020 ₹ Crore	During the Year	**As at March 31, 2021 ₹ Crore**
20	**Deferred tax statements:**			
	Deferred tax liabilities/ (assets) (net)			
	Property, plant and equipment	727.20	0.74	**727.94**
	Fair valuation of property, plant and equipment	790.76	(3.08)	**787.68**
		1,517.96	(2.34)	**1,515.62**
	Deferred tax assets:			
	Provision for employee benefits	25.82	3.12	**28.94**
	Provision for doubtful debts/ advances	27.20	1.97	**29.17**
	Fair valuation of investments	180.70	16.05	**196.75**
	Carry forward losses and unabsorbed depreciation *	674.17	(4.35)	**669.82**
		907.89	16.79	**924.68**
	Deferred tax liabilities/ (assets) (net)	610.07	(19.13)	**590.94**

* Deferred tax assets on carry forward losses and unabsorbed depreciation is ₹ 1051.90 crore. However, it is recognised to the extent of deferred tax liabilities other than arising on fair valuation of PPE on conservative basis.

* Pursuant to the Taxation Laws (Amendment) Act, 2019, domestic companies have an option to pay corporate income tax at a concessional rate of 25.17% including surcharge and cess (new tax rate), subject to certain conditions, w.e.f. financial year commencing from April 1, 2019 and thereafter. If the said option is chosen, the company will be exempted from the provisions of Minimum Alternate Tax under section 115JB; however the company will have to forego certain prescribed incentives/ deductions. The company can choose such option for any year starting from FY 2019-20 or any subsequent year. However, once the said option of paying tax under the new tax rate is chosen, the company cannot withdraw and go back to the old rates of tax. In the year ended March 31, 2021, the Company has made an evaluation of the impact of the aforesaid option and decided not to opt for the new tax rate for financial year 2020-21. Accordingly, the company will continue to be governed under the existing tax regime. The company will re-assess the impact for the subsequent financial year and take a decision for the said years at relevant point in time.

		Year ended March 31, 2021 ₹ Crore	Year ended March 31, 2020 ₹ Crore
20 (a)	**Tax expense recognised in the Statement of Profit and Loss**		
	Current tax		
	Current year	-	-
	Total Current Tax	-	-
	Deferred tax		
	Origination and reversal of temporary difference	19.13	19.39
	Total deferred income tax expense/(credit)	**19.13**	19.39
	Tax relating to earlier year	(0.19)	-
	Total income tax expense/(credit)	**(18.94)**	(19.39)
(b)	A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the profit before income taxes is summarized below:		
	Profit before Tax	**(293.71)**	(52.36)
	Enacted income tax rate in India	**31.20%**	31.20%
	Income tax expenses as per enacted rate	**(91.64)**	(16.34)
	Differences due to:		
	Income / Expenses not considered for tax purpose	**72.70**	(3.05)
	Others		
	Total	**(18.94)**	(19.39)
	Effective Tax Rate	**6.45%**	37.03%

(c) The movement in deferred tax assets and liabilities during the year ended March 31, 2020 and March 31, 2021:

₹ Crore

Movement during the year ended March 31, 2020 and March 31, 2021	**As at 1st April, 2019**	**Credit/ (charge) in statement of Profit and Loss**	**Credit / (charge) in Other Comprehensive Income**	**As at 31st March, 2020**	**Credit / (charge) in statement of Profit and Loss**	**Credit / (charge) in Other Comprehensive Income**	**As at 31st March, 2021**
Deferred tax assets/ (liabilities)							
Property, plant and equipment	(784.85)	57.65	-	(727.20)	(0.74)	-	(727.94)
Fair valuation of property, plant and equipment	(793.12)	2.36	-	(790.76)	3.08	-	(787.68)
Provision for employee benefits	20.38	5.44	-	25.82	3.12	-	28.94

₹ Crore

Movement during the year ended March 31, 2020 and March 31, 2021	As at 1st April, 2019	Credit/ (charge) in statement of Profit and Loss	Credit / (charge) in Other Comprehensive Income	As at 31st March, 2020	Credit / (charge) in statement of Profit and Loss	Credit / (charge) in Other Comprehensive Income	As at 31st March, 2021
Provision for doubtful debts/ advances	11.51	15.69	-	27.20	1.97	-	29.17
Fair valuation of investments	163.66	-	17.03	180.69	-	16.05	196.74
Carry forward losses and unabsorbed depreciation	752.96	(78.78)	-	674.18	(4.35)	-	669.83
Total	**(629.46)**	**2.36**	**17.03**	**(610.07)**	**3.08**	**16.05**	**(590.94)**

	As at March 31, 2021 ₹ crore	As at March 31, 2020 ₹ crore
21 Other non-current liabilities		
Deposits from agents/ customers/vendors	**35.84**	25.98
	35.84	25.98
22 Current borrowings		
(At amortised cost)		
Loan from others		
Others	**20.33**	6.40
Loans and Advances from Related Parties	**0.39**	-
	20.72	6.40
	20.72	6.40
23 Trade payables		
Micro and small enterprises	**19.72**	7.97
From related parties	**0.13**	0.14
Others	**4,441.87**	4,436.35
	4,461.72	4,444.46
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	**19.72**	7.97
– Interest	**-**	-
The amount of interest paid by the buyer as per the Micro Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006)	**-**	0.06
The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting year.	**0.29**	3.58
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.	**-**	-

	As at March 31, 2021 ₹ crore	As at March 31, 2020 ₹ crore
24 Other financial liabilities		
Lease Liability- Financial **	**2.43**	2.26
Current maturities of non-current borrowings (refer note 17.2)	**579.09**	347.46
Security deposit from others	**0.26**	1.61
Interest accrued but not due on borrowings	**-**	0.12
Interest accrued and due on borrowings	**15.24**	17.70
Interest accrued and due on debentures*	**-**	22.56
Unclaimed dividends #	**-**	0.06
	597.02	391.77

These figures do not includes any amount due and outstanding to be credited to Investor Education and Protection fund.

***** Interest of ₹ Nill (P.Y. ₹ 22.56 crore) on debenture is due for payment as on the balance sheet date.

****** Lease Liability of ₹ 2.43 crore (P.Y. ₹ 2.26 crore) payable with in year has been regrouped as "Other financial liabilities-current"

25 Other current liabilities		
Other payables*	**157.37**	143.00
	157.37	143.00

***** Includes statutory dues, advances from customer and other liabilities.

26 Current provisions		
Gratuity	**11.70**	9.49
Leave encashment	**4.49**	4.02
	16.19	13.51

	Year ended March 31, 2021 ₹ Crore	Year ended March 31, 2020 ₹ Crore
27 Revenue from operations		
Sale of products / services	**6,556.63**	6,614.14
Other operating revenues	**109.34**	55.20
	6,665.97	6,669.34
27.1 Particulars of sale of products/ services		
Sugar	**5,930.57**	6,100.03
Alcohol	**397.00**	258.90
Power	**58.54**	68.51
By products	**168.60**	175.76
Others	**0.42**	-
Aircraft services	**1.50**	10.94
	6,556.63	6,614.14
27.2 Particulars of other operating revenues		
Duty drawback and other export incentives	**0.04**	0.02
Sale of export licenses	**50.48**	0.81
Sale of scrap	**5.05**	6.55
Others	**53.77**	47.82
	109.34	55.20

	Year ended March 31, 2021 ₹ Crore	Year ended March 31, 2020 ₹ Crore
28 Other income		
Profit on assets sold	**4.94**	-
Gain due to foreign exchange fluctuation (net)	**0.88**	-
Other non-operating income	**15.78**	9.61
Interest income *	**0.99**	2.37
	22.59	11.98

***** On the basis of principle of conservatism and prudence, group has not recognised interest income on inter corporate debts ₹ 78.41 Crore (P.Y. ₹ 78.82 Crore) for Year ended March 31, 2021, as and when it is recoverable it will be recognised in the books.

29 Cost of materials consumed		
Opening stock	**4.37**	6.36
Purchases	**5,301.28**	5,361.35
	5,305.65	5,367.71
Less: Closing stock	**8.33**	4.37
Cost of raw material consumed	**5,297.32**	5,363.34
30 Changes in inventories of finished goods, by-products and work-in-progress		
Opening stock		
Finished goods	**2,398.39**	2,516.90
By-products	**154.00**	101.25
Work-in-process	**61.77**	56.18
	2,614.16	2,674.33
Less: Closing stock		
Finished goods*	**2,093.28**	2,398.39
By-products	**301.78**	154.00
Work-in-process	**25.79**	61.77
	2,420.85	2,614.16
	193.31	60.17

***** Includes ₹ 60.92 crore (P.Y. ₹ 41.44 crore) towards the write down of inventories.

31 Employee benefits expense		
Salaries & wages	**297.40**	271.36
Contributions to provident and other funds	**29.70**	26.69
Employee's welfare expenses	**1.58**	1.73
	328.68	299.78

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	**62.49**	60.57
Fair value of plan assets	**(4.65)**	(9.81)
Net liability / (asset)	**57.84**	50.76
Change in plan assets (reconciliation of opening and closing balances)		
Fair Value of plan assets at the beginning	**9.82**	12.73

	Year ended March 31, 2021 ₹ Crore	Year ended March 31, 2020 **₹ Crore**
Expected return on plan assets	**0.49**	0.89
Actuarial gain / (losses)	**(0.01)**	0.04
Contributions	**0.49**	0.11
Benefits paid	**(6.14)**	(3.95)
Fair value of plan assets at the end	**4.65**	9.82
Change in obligation (reconciliation of opening and closing balances)		
Obligation at the beginning	**60.57**	51.02
Current service cost	**5.36**	5.32
Interest cost	**4.24**	3.43
Actuarial losses / (gain)	**(1.55)**	4.76
Benefits paid	**(6.14)**	(3.95)
Closing obligation	**62.48**	60.58
Expenditure to be recognised during the year		
Current service cost	**5.36**	5.32
Interest cost	**4.24**	3.43
Expected return on plan assets	**(0.49)**	(0.89)
Total expenses recognised in the statement of profit and loss	**9.11**	7.86
In Other comprehensive income		
Actuarial (Gain) / Loss - Plan liabilities	**(1.55)**	4.76
Actuarial (Gain) / Loss - Return On Plan Assets	**0.01**	(0.04)
Net (Income)/ Expense For the period Recognised in OCI	**(1.54)**	4.72
Investment Details		
Insurance Policies - Amount	**4.65**	9.82
- %	**100%**	100%
Assumptions		
Discount rate (per annum)	**6.90%**	7.00%
Expected rate of return on assets (per annum)	**6.90%**	7.00%
Salary escalation rate (per annum)	**6.00%**	6.00%
Sensitivity		
Under base scenario	**62.49**	60.57
Salary escalation (up by 1%)	**67.12**	65.13
Salary escalation (down by 1%)	**58.33**	56.49
Withdrawal rates (up by 1%)	**62.67**	60.79
Withdrawal rates (down by 1%)	**62.27**	60.34
Discount rates (up by 1%)	**58.48**	56.66
Discount rates (down by 1%)	**67.01**	65.00

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 recognized 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 2020-21

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.

	Year ended March 31, 2021 ₹ Crore	Year ended March 31, 2020 ₹ Crore
b. Unfunded scheme - earned leaves		
Present value of unfunded obligations	**34.94**	32.01
Expenses recognised in the statement of profit and loss	**3.17**	3.41
In Other comprehensive income		
Actuarial (Gain) / Loss - Plan liabilities	**(0.25)**	1.56
Actuarial (Gain) / Loss - Return On Plan Assets	**-**	-
Net (Income)/ Expense For the period Recognised in OCI	**(0.25)**	1.56
Discount rate (per annum)	**7.00%**	7.00%
Salary escalation rate (per annum)	**6.00%**	6.00%

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, 2021.

Plan assets at period end, at fair value	**-**	-
Present value of benefit obligation at year end	**-**	-
Cost of short fall in interest rate guarantee	**-**	-
Discount rate	**6.90%**	7.00%
Average remaining tenure of the investment portfolio (years)	**6.53**	6.48
Expected guaranteed interest rate	**8.50%**	8.50%

During the year ended March 31, 2021, amount recognised in statement of profit and loss for employee provident fund is ₹ 10.21 crore (P.Y. ₹ 8.90 crore).

d. Share based payment

Erstwhile Bajaj Hindusthan Sugar & Industries Limited, which was merged with the Company wef 01.04.2010, had formed Employees Stock Option Plan (ESOP) in 2007. All option granted have either been expired or exercised.

	Year ended March 31, 2021 ₹ Crore	Year ended March 31, 2020 ₹ Crore
32 Finance costs		
Interest expense on:		
Borrowings	**218.38**	258.69
Others	**5.55**	4.40
Debentures	**34.84**	34.88
Other borrowing costs	**4.75**	2.90
	263.52	300.87
33 Depreciation and amortisation expense		
Depreciation on tangible assets	**213.05**	213.75
Amortisation of intangible assets	**2.66**	2.66
	215.71	216.41
34 Other expenses		
Stores, spares and packing materials consumed	**174.60**	158.01
Power and fuel	**25.95**	28.60
Rent	**5.93**	3.10
Rates and taxes	**0.38**	0.30
Repairs :		
Building	**1.64**	1.37
Machinery	**341.78**	160.74
Others	**4.29**	4.27
	347.71	166.38
Payment to auditors (Refer note 34.1)	**0.35**	0.81
Insurance	**12.59**	7.94
Selling commission	**15.42**	15.14
Selling & distribution	**36.69**	41.90
Director fees	**0.19**	0.21
Donations	**-**	0.52
Loss due to foreign currency fluctuation (net)	**-**	0.91
Provision for doubtful debts	**(0.09)**	1.95
Loss on assets sold / scrapped/ written off	**0.39**	0.74
Miscellaneous expenses	**63.62**	66.60
	683.73	493.11
34.1 Payment to auditors		
For statutory audit fees	**0.27**	0.54
For tax audit fees	**0.02**	0.05
For certification work	**0.06**	0.23
	0.35	0.82
35 Other Comprehensive income		
Actuarial gain / (loss) on employee benefit plans	**1.79**	(6.27)
Gain / (loss) on Investment through FVOCI	**(51.44)**	(54.59)
Foreign exchange fluctuation	**(0.29)**	0.11
Less: tax on Gain / (loss) on Investment through FVOCI	**16.05**	17.03
	(33.89)	(43.72)

					As at March 31, 2021 ₹ crore	As at March 31, 2020 ₹ crore
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	**11.29**	11.25
			(ii)	Trade tax matters	**59.01**	59.81
			(iii)	Income tax matters	**62.63**	62.24
			(iv)	Recompense payable (refer note 40(b))	**280.75**	234.81
			(v)	Other claims	**40.14**	45.64
					453.82	413.75
		(b)	Securities		**661.25**	661.25
		(c)	Interest payable on promoters contribution (refer note 40(c) and (d)) is not determinable		**-**	-
		(d)	Pursuant to the scheme for sustainable structuring of stressed assets (S4A Scheme) for restructuring of certain outstanding debts of the Company [Refer note no. 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 no. 17.1]. The OCDs provides 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 ₹ 1,390.12 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).			**0.22**	2.66
37	**Earnings per share**					
	(i)	Net profit/ (loss) after tax as per statement of profit and loss attributable to equity shareholders			**(290.82)**	(49.99)
	(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 earning per share			**(2.64)**	(0.45)
	(v)	Diluted earnings per share			**(2.64)**	(0.45)
	(vii)	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.

	Particulars	Year ended March 31, 2021 ₹ Crore	Year ended March 31, 2020 ₹ Crore
1	**Segment revenue**		
	a. Sugar	**7,148.20**	7,180.11
	b. Distillery	**414.47**	275.92
	c. Power	**983.26**	1,002.81
	d. Others	**2.35**	11.37
	Total	**8,548.28**	8,470.21
	Less : Inter- segment revenue	**1,882.31**	1,800.87
	Net Sales / Income from operations	**6,665.97**	6,669.34
2	**Segment results**		
	(Profit/ (Loss) before tax and interest)		
	a. Sugar	**(1.62)**	189.31
	b. Distillery	**14.10**	59.56
	c. Power	**6.82**	50.43
	d. Others	**(15.30)**	49.24
	Total	**4.00**	348.54
	Less: (i) Interest Gross	**(263.52)**	(300.87)
	(ii) Interest income	**0.98**	2.37
	(iii) Other Un-allocable Income net off Un-allocable expenditure	**(35.17)**	(102.40)
	Total Profit/ (loss) before tax	**(293.71)**	(52.36)
3	**Capital employed**		
i)	Segment assets:		
	a. Sugar	**8,308.86**	8,569.88
	b. Distillery	**1,030.13**	889.27
	c. Power	**1,624.30**	1,704.81
	d. Others	**223.94**	226.49
	Total	**11,187.23**	11,390.45
	Add: Unallocated corporate assets	**1,948.53**	2,157.91
	Total assets	**13,135.76**	13,548.36
ii)	Segment liabilities:		
	a. Sugar	**4,328.64**	4,406.66
	b. Distillery	**54.54**	29.69
	c. Power	**19.86**	5.61
	d. Others	**189.31**	173.29
	Total	**4,592.35**	4,615.25
	Add: Unallocated corporate liabilities	**6,171.19**	6,236.01
	Total liabilities	**10,763.54**	10,851.26
4	**Capital expenditure:**		
	a. Sugar	**0.06**	2.89
	b. Distillery	**2.54**	26.31
	c. Power	**(0.51)**	(46.69)
	d. Others*	**0.33**	47.42
	e. Unallocated	**0.11**	11.06
	Total	**2.53**	40.99

* Includes increase/ (decrease) due to forex fluctuation

	Particulars	Year ended March 31, 2021 ₹ Crore	Year ended March 31, 2020 ₹ Crore
5	**Depreciation and amortisation:**		
	a. Sugar	**126.09**	126.92
	b. Distillery	**17.53**	17.20
	c. Power	**59.88**	59.92
	d. Others	**7.72**	7.73
	e. Unallocated	**4.49**	4.64
	Total	**215.71**	216.41
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 IndAS.

   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.

Name of related parties

A. Directors and their relatives

1. Mr. Kushagra Bajaj, Chairman
2. Mr. Ashok Kumar Gupta, Managing Director (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. Anand Engineering Ltd.
4. Bajaj Energy Ltd.
5. Bajaj Resources Ltd.
6. Bajaj Power Ventures Private Ltd.
7. Bajaj International Realty Private Ltd.
8. Bajaj Consumer Care Ltd.
9. Shishir Bajaj Family Trust
10. SKB Roop Commercial LLP
11. Lambodar Stocks Private Ltd.
12. Lalitpur Power Generation Company Ltd.

b) Details of related party transactions:

₹ Crores

	Transactions	Directors/ Key Management Personnel	Associate	Enterprises described in (B) above	Total
I.	**Transactions during the year**				
	Sale of materials / services	**-**	**-**	**3.80**	**3.79**
		(-)	(-)	(-)	(-)
	Rent - Income	-	-	**3.63**	**3.63**
		(-)	(-)	(3.57)	(3.57)
	Remuneration	**1.42**	-	-	**1.42**
		(2.12)	(-)	(-)	(2.12)
	Interest - Paid - Expenses	-	-	**0.02**	**0.02**
		(-)	(-)	(-)	(-)
	Gratuity - Expenses	-	-	**-**	**-**
		(1.44)	(-)	(-)	(1.44)
	Rent - Expense	-	-	**4.29**	**4.29**
		(-)	(-)	(4.29)	(4.29)
	Business Process Services - Expense	-	-	**2.05**	**2.05**
		(-)	(-)	(1.85)	(1.85)
	Provision expenses for doubtful debts	-	-	**0.08**	**0.08**
		(-)	(-)	(0.85)	(0.85)
	Provision for doubtful debts written back	-	-	**0.76**	**0.76**
		(-)	(-)	(-)	-
	Loan taken	-	-	**1.02**	**1.02**
		(-)	(-)	(-)	(-)
	Loan repaid	-	-	**0.65**	**0.65**
		(-)	(-)	(-)	(-)
	Deposit given repaid	-	-	**0.64**	**0.64**
		(-)	(-)	(-)	(-)
II.	**Amounts outstanding at the Balance Sheet date**				
	Loan taken	**110.50**	-	**101.89**	**212.39**
		(110.50)	(-)	(101.50)	(212.00)
	Advance to vendor	-	-	**0.47**	**0.47**
		(-)	(-)	(0.47)	(0.47)
	Trade payables	-	-	**1.44**	**1.44**
		(-)	(-)	(0.95)	(0.95)
	Investments	-	-	**770.13**	**770.13**
		(-)	-	(770.13)	(770.13)
	Trade receivable	-	-	**9.00**	**9.00**
		(-)	(-)	(11.24)	(11.24)
	Provision for doubtful debts	-	-	**0.40**	**0.40**
		(-)	(-)	(1.08)	(1.08)
	Debenture	-	-	**266.85**	**266.85**
		(-)	(-)	(266.85)	(266.85)
	Advance for land purchase	-	-	**248.00**	**248.00**
		(-)	(-)	(248.00)	(248.00)
	Deposits given	-	-	**4.42**	**4.42**
		(-)	(-)	(5.06)	(5.06)
	Guarantee/ securities given	-	-	**661.25**	**661.25**
		(-)	(-)	(661.25)	(661.25)

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 Sale of Material / Service ₹ 0.40 crore (P.Y. 0.00) to Lalitpur Power Generation Company Ltd and ₹ 2.71 crore (P. Y. 0.00) to Bajaj Consumer Care Ltd., and ₹ 0.68 crore (P.Y. 0.00) to Bajaj Energy Ltd.

4 Rent income ₹ 3.38 crore (P.Y. ₹ 3.31 crore) from Bajaj Energy Ltd , ₹ 0.24 crore (P.Y. ₹ 0.26 crore) from Lalitpur Power Generation Company Ltd., ₹ 45,312/- (P.Y. 45,312/-). from Anand Engineering Ltd.

5 Remuneration includes ₹0.00 crore (P.Y. ₹ 0.86 crore) to Mr. Kushagra Bajaj, and ₹ 1.42 crore (P.Y. ₹ 1.26 crore) to Mr. A.K. Gupta.

6 Gratuity expenses includes ₹ 0.00 crore (P.Y. ₹ 1.44) to Mr. Kushagra Bajaj.

7 Interest Paid includes ₹ 0.01 crore (P.Y. 0.00) to Abhitech Developers Pvt Ltd and ₹ 0.01 crore (P.Y. 0.00) to Bajaj Capital Venture Pvt Ltd

8 Rent expense includes ₹ 0.94 crore (P.Y. ₹ 0.94 crore) to Bajaj Capital Ventures Pvt. Ltd ,₹ 2.23 crore

(P.Y. ₹2.23 crore) to Shishir Bajaj Family Trust , ₹ 1.01 crore (P.Y. ₹ 1.01 crore) to Bajaj Resources Ltd. and

₹ 0.11 crore (P.Y.₹ 0.11 crore) to Abhitech Developers Pvt Ltd.

9 Business process services ₹ 2.05 crore (P.Y. ₹ 1.85 crore) to Abhitech Developers Pvt. Ltd.

10 Provision expenses for doubtful debts includes ₹ (0.76) crore (P.Y. ₹ 0.84 crore) for Bajaj Energy Limited, ₹ 0.08 crore (P.Y. ₹ 0.01) for Lalitpur Power Generation Company Limited, ₹ (227) (P.Y. 227) for Anand Engineering Ltd.

11 Deposit given repaid includes ₹ 0.64 crore (P. Y. 0.00) to Abhitech Developers Pvt. Ltd.

12 Restructured term loan from banks aggregating to ₹5486.56 crore are secured by personal guarantee of Mr.Kushagra Bajaj (Chairman) 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.

13 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.

14 Loans Taken includes ₹110.50 crore (P.Y. ₹ 110.50 crore) from Mr. Kushagra Bajaj, ₹ 89.50 crore (P.Y. ₹ 89.50 crore) from SKB Roop Commercial LLP, ₹ 6.49 crore (P.Y. ₹ 6.49 crore) from Shishir Bajaj Family Trust, ₹ 1.39 crore (P.Y. ₹ 1.39 crore) from Anand Engineering Limited, ₹ 4.11 crore (P.Y. ₹ 4.11 crore) from Lambodar Stocks Private Limited. ₹ 0.01 crore (P Y 0.00) from Abhitech Developers Pvt Ltd, ₹ 0.38 crore (P.Y. 0.00) from Bajaj Capital Venture Pvt Ltd.

15 Trade Receivables includes ₹ 3.83 crore (P.Y. 6.51 crore) of Bajaj Energy Limited, ₹ 0.00 crore (P.Y. 0.22 crore) of Anand Engineering Ltd., and ₹ 5.17 crore (P.Y. ₹ 4.50 crore) of Lalitpur Power Generation Company Limited

16 Provision for doubtful debts includes ₹ 0.31 crore (P.Y. ₹ 1.07 crore) for Bajaj Energy Limited, ₹ 0.09 crore (P.Y. ₹ 0.01) for Lalitpur Power Generation Company Limited, ₹ 0.00 (P.Y. 227) for Anand Engineering Ltd.

17 Investment includes ₹ 770.13 crore in 1,54,39,900 (P.Y. 1,54,39,900) Shares of Lalitpur Power Generation Company Ltd. of ₹10/- each.

18 Debenture includes ₹ 226.85 crore in 2,66,85,000 (2,66,85,000) Zero Coupon Optionally Convertible Debentures of Lambodar Stocks Private Ltd. of ₹100/- each.

19 Advance for land purchase includes ₹ 248.00 crore (P.Y. ₹ 248.00 crore) to Lambodar Stocks Private Limited.

20 Deposit given include ₹ 0.38 crore (P.Y. ₹ 0.38 crore) to Bajaj Capital Venture Private Limited, ₹ 0.90 crore (P.Y. ₹ 0.90 crore) to Shishir Bajaj Familiy Trust and ₹ 3.14 (P.Y. ₹ 3.78) to Abhitech Developers Private Limited.

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, 2021 payable to the JLF lenders as per MRA is approximately ₹ 280.75 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. Further the MFA (Master Framework Agreement) has an observation to recover the outstanding loans and advances, as specified in agreement, in phased manner, but no time line has been stipulated.

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.

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 counter party 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 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, 2021	**195.69**	**17.45**	**213.14**
As at March 31, 2020	136.28	3268	168.96

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, 2019	11.50
Provided during the year	1.95
Amounts written off	(0.88)
As at March 31, 2020	12.57
Provided during the year	(0.09)
Reversal of provision	-
Amounts written off	0.01
As at March 31, 2021	**12.49**

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, 2021 (₹ crore)				
	Carrying amount	On demand	0-12 months	More than 12 months	Total
Borrowings	5,402.13	-	579.09	4,823.04	5,402.13
Trade payables	4,461.72	4,461.72	-	-	4,461.72
Other financial liabilities	22.77	-	22.77	-	22.77
Total	**9,886.62**	**4,461.72**	**601.86**	**4,823.04**	**9,886.62**
	As at March 31, 2020 (₹ crore)				
Particulars	Carrying amount	On demand	0-12 months	More than 12 months	Total
Borrowings	5,493.39	-	347.46	5,145.93	5,493.39
Trade payables	4,444.46	4,444.46	-	-	4,444.46
Other financial liabilities	51.59	-	51.59	-	51.59
Total	9,989.44	4,444.46	399.05	5,145.93	9,989.44

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, 2021		**100**	**+/(-)**	**54.02**
For year ended March 31, 2020		100	+/(-)	54.93

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, 2021		**₹ 1**	**+/(-)**	**0.66**
For year ended March 31, 2020		₹ 1	+/(-)	0.78

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 he end of the reporting period are as follows:

Currency	**Year ended March 31, 2021**	Year ended March 31, 2020
USD	**1,45,441.78**	4,77,978.93

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, 2021**	Year ended March 31, 2020
Increase by 5%	USD	(-)	**5,34,533**	18,01,644
Decrease by 5%	USD	+	**5,34,533**	18,01,644

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 it's 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 credit worthiness.

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, 2021 (₹ Crore)			
	Carrying amount	Level 1	Level 2	Level 3
Financial Assets at amortised cost				
Trade receivables	213.14	-	-	-
Cash and cash equivalents	73.78	-	-	-
Bank balances	9.16	-	-	-
Loans - current	1,092.03	-	-	-
Other financial assets – non current	3.98	-	3.98	-
Total	**1,392.09**	**-**	**3.98**	**-**
Financial assets at fair value through				
Other comprehensive income				
Investments	818.03	-	-	818.03
Total	**818.03**	**-**	**-**	**818.03**
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	4,802.32	-	-	-
Borrowing – current	20.72	20.72	-	-
Trade payables	4,461.72	-	-	-
Other financial liabilities- non current	4.84	-	-	-
Other financial liabilities- current	597.02	-	-	-
Total	**9,886.62**	**20.72**	**-**	**-**

Particulars	As at March 31, 2020 (₹ Crore)			
	Carrying amount	Level 1	Level 2	Level 3
Financial Assets at amortised cost				
Trade receivable (Refer notes "49")	168.96	-	-	-
Cash and cash equivalents	104.01	-	-	-
Bank balances	10.94	-	-	-
Loans - current	1,095.42	-	-	-
Other financial assets – non current	2.07	-	2.07	-
Total	1,381.40	-	2.07	-

Particulars	As at March 31, 2020 (₹ Crore)			
	Carrying amount	Level 1	Level 2	Level 3
Financial Assets at amortised cost				
Other comprehensive income				
Investments	869.47	-	-	869.47
Total	869.47	-	-	869.47
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	5,139.53	-	-	-
Borrowing – current	6.40	6.40	-	-
Trade payables	4,444.46	-	-	-
Other financial liabilities- non current	7.28	-	-	-
Other financial liabilities- current	391.77	-	-	-
Total	9,989.44	6.40	-	-

During the year ended March 31, 2021 there was no transfers between level 2 and level 3 fair value hierarchy.
During the year ended March 31, 2020 there was 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, 2019	1,190.91
Less: Fair value loss recognised in Other Comprehensive Income	(54.59)
Balance as on April 1, 2020	1,136.32
Less: Fair value loss recognised in Other Comprehensive Income	(51.44)
Balance as on March 31, 2021	**1,084.88**

43 The Parent Company has exposure aggregating to ₹ 598.04 crore in other companies, by way of investments, loans, accumulated interest on these loans and receivables. Management believes that investment made, loan given and receivables due from Other companies are considered good and recoverable based on the future business plan of these companies and on-going efforts towards obligation casted on the Holding Company and its promoters to recover the outstanding loans in phased manner and accordingly no provision other than those already accounted for, has been considered necessary. Auditors have drawn emphasis of matter in their Audit report. Further on the Basis of principle of conservatism and prudence, the Group has not recognised interest income on inter corporate debts for the quarter and year ended on March 31, 2021 of ₹ 19.34 crore and ₹ 78.41 crore respectively, as and when it is recoverable it will be recognised in the books.

44 The Group has adopted IND AS 116 with modified retrospective approach, with effect from April 1, 2019. Accordingly the comparative periods have not been restated. There is no impact of IND AS 116 adoption to the retained earnings as at April 1, 2019. The Company has recognized ₹ 11.54 crore as right of use assets and the corresponding lease liability on the date of transition i.e. April 1, 2019. Further, an amount of ₹ 0.56 crore has been reclassified from non-current assets to right of use assets against security given for lease in previous period to depreciate for the right of use assets and finance cost for interest accrued on lease liability.

(1) The expense relating to payments not included in the measurement of the lease liability is as follows:

Particulars	₹ in Crore
Short-term leases	1.80
Leases of low value assets	-
Variable lease payments	-
Total	**1.80**

(2) Additional profit or loss and cash flow information

Particulars	₹ in Crore
Income from subleasing ROU	-
Total cash outflow in respect of leases in the year	5.04

(3) The undiscounted maturity analysis of lease liabilities at March 31, 2021 is as follows:

Particulars	Within 1 year	1-2 years	2-3 years	3-4 years	4-5 years	5-6 years	Total
31-Mar-21							
Lease payments	3.15	2.82	2.57	0.03	-	-	8.57
Finance Charge*	0.71	0.43	0.15	-	-	-	1.29
31-Mar-20							
Lease payments	3.24	3.15	2.82	2.57	0.03	-	11.81
Finance Charge*	0.98	0.71	0.43	0.15	-	-	2.27

*Finance Charges in 3-4 & 4-5 years Rs 3,314/

4 The following is a reconciliation of total operating lease commitments at 31 March 2020 (as disclosed in the financial statements to 31 March 2020) to the lease liabilities recognised at 1 April 2020:

Particulars	₹ in Crore
Total operating lease commitments disclosed at 31 March 2020	11.81
Recognition exemptions:	
Leases of low value assets	-
Leases with remaining lease term of less than 12 months	-
Variable lease payments not recognised	-
Other minor adjustments relating to commitment disclosures	-
Operating lease liabilities before discounting	11.81
Discounted using incremental borrowing rate	2.27
Operating lease liabilities	9.54
Reasonably certain extension options	
Finance lease obligations	**-**
Total lease liabilities recognised under Ind AS 116 at 1 April 2020	**9.54**

45 The Company and its erstwhile subsidiary Bajaj Hindusthan Sugar & Industries Limited (BHSIL, merged with the company in 2010) had made requisite minimum capital investment and established an aggregate of 11 new sugar mills and 4 distillery units and also expanded capacity of sugar mills during the years 2004 to 2008. All those mills were established & commercial production started within the time prescribed under the policy i.e. 31st March' 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 requisite investments in setting up new mills and or on capacity expansion of sugar units in state of U.P. . While for the 8 new sugar mills & 3 distilleries set up by the Company, it had already received "Eligibility Certificate", however the same is awaited for 3 new sugar mills, 1 distillery and for expansion of 1 mill of erstwhile BHSIL; all the claims had been filed by the company within stipulated time as per the scheme. Till date the Company have partly availed the benefits including capital subsidy amount. However, due to an abrupt withdrawal / discontinuation of policy in the year 2007, the balance amount of benefits and grant of eligibility certificate in respect of the mills of erstwhile subsidiary BHSIL (subsequently merged with the Company) is held up. Consequently, the Current Assets include a sum of ₹ 592.38 Crore towards the aforesaid claims under 2004 Policy. The authorities started denying the benefits so the company challenged the denial orders of the Govt based on the withdrawal / discontinuing the policy with effect from 04.06.2007, in the Hon'ble

High Court of Allahabad. Basically the withdrawal of the policy w.e.f. 04.06.2007 was a preponing process of date of completion of projects i.e. 31.03.2008 which otherwise was not relevant in the case of company since it has already completed the installation and started the commercial production before the prescribed date and became eligible to avail the benefits envisaged. The Hon'ble High Court upheld the stand of the company and held that the withdrawal sugar promotion policy was arbitrary and without the application of mind. The Govt of U.P. preferred to file an SLP before the Hon'ble Supreme Court against the orders of the Hon'ble High Court of Allahabad. The Hon'ble Supreme Court turned down the stand of the Govt of U.P. and declined to interfere in the order of the Hon'ble High Court vide its order dated 07.03.2018.

Given the series of orders, and finally, from the Hon'ble Supreme Court, the company again approached the Cane Commissioner of U.P. for release of its claims. The Cane Commissioner vide its letter dates 07.06.2018 asked the company to re-submit the claim papers again in the office of Cane Commissioner. The company again filed all the complete claim papers in the prescribed formats. The company regularly followed up with the office of Cane Commissioner for settlement of its claims; and because of unreasonable delay in settlement of the company's claims, the company filed a contempt petition in the Hon'ble Supreme Court. The Cane Commissioner declined the claim of the company on unfounded grounds. Contempt petition filed by the company in Hon'ble Supreme Court was schedule for hearing on 23rd March 2020, but due to the prevailing Covid 19 pendamic situation & subsequent lock-down, it could not be listed on the said date. As only the urgent matter were being listed in the hon'ble Supreme Court during the COVID time, the matter could not be listed for hearing. The Company expects that case will soon be listed after the reopening of the court after summer vacation."

46 The outbreak of the pandemic COVID-19 and consequent lock-down by the Government wef March 25, 2020, which initially led to closing down city-based offices of the company in compliance of lock-down rules, but there had not been material disruptions in the operations of the sugar manufacturing plants and distilleries of the Company as the Government had already classified these facilities as essential products and services; all the plants kept on working as per their capacity. The most visible impact of the pandemic and the resultant lock-down, on the Company, was a decline on the domestic demand of sugar, which may lower the average sugar realization to some extent in FY 21. However, the Government already had some mechanism in place to support the industry including fixation the MSP (Minimum Selling Price) @ ₹ 31 per kg, monthly sugar sale quota, fixation of export obligation, etc to stabilize the sugar prices. The Government may further come up with some other measures to mitigate the impact if any. The other main products viz ethanol and power are not expected to be affected adversely. As per the assessment made till the date of adoption of these results, the management is of the view that the company will not be impacted adversely. Now the Government is relaxing the lock-down in phased manner consequently the commercial activities are returning to normal. The Company has considered the possible impact of internal and external factors known to the management up to the date of approval of these accounts, to assess and finalize the carrying amount of its assets and liabilities. Accordingly, as on date, no material impact is anticipated in the carrying values of the assets and their recoverability. As the situation continues to evolve, the Company will closely monitor and assess any material impact in the financial of the Company.

47 For the year ended 31.03.2021 and in earlier years, the group had incurred losses resulting into reduction of net worth to that extent. The losses were mainly attributable to high raw material i.e. sugarcane prices and other inputs cost and relatively lower realisation of sugar due to higher production, sugar prices are determined by market forces based on the demand –supply situation and other market dynamics, which are external factors. The Group has outstanding cane dues payable to cane farmers. The Group is continuously striving for improvement in the operational efficiency in other parameters. The Group continue to operate at optimum levels and expects improvement in the operational efficiency in form of improvement in sugar recovery, Increase of Alcohol production by using B Heavy Molasses, reduction of overheads, finance and other costs, monetisation of certain non-core assets etc. The debt restructuring as per RBI's S4A Scheme has resulted into improved liquidity. The Government has taken various measures to improve the financial health of sugar industry in recent past like MIEQ, buffer stock subsidy and fixing MSP for sugar; increased the prices of Ethanol. All these measures are expected to turnaround the operations of sugar industry on sustainable basis. The Group also expects to receive accrued benefits under the Sugar Industries Promotion Policy 2004 for which it is entitled to. In view of the above, the management expects to generate positive cash flow from operation and accordingly, the consolidated financial results are continued to be presented on going concern basis, which contemplates realisation of assets and settlement of liabilities in the normal course of business. This matter has been referred by auditors in their Audit report.

48 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 consol-idated net assets	Amount (₹ Crore)	As % of consol-idated profit or loss	Amount (₹ Crore)	As % of consol-idated other compre-hensive income	Amount (₹ Crore)	As % of consol-idated total compre-hensive income	Amount (₹ Crore)
Parent	53.00%	1,257.55	96.00%	(279.34)	99.00%	(33.60)	96.00%	(312.94)
Subsidiaries								
Indian								
1. Bajaj Aviation Private Ltd.	0.00%	(1.03)	4.00%	(10.81)	0.00%	-	3.00%	(10.81)
2. Bajaj Power Generation Private Ltd.	47.00%	1,116.33	0.00%	(0.21)	0.00%	-		(0.21)
Foreign								
1. Bajaj Hindusthan (Singapore) Pte. Ltd.	0.00%	(0.87)	0.00%	(0.78)	0.00%	0.53	0.00%	(0.25)
2. PT. Batu Bumi Persada, Indonesia	0.00%	6.30	0.00%	0.33	0.00%	(0.75)	0.00%	(0.42)
3. PT. Jangkar Prima, Indonesia	0.00%	(6.06)	0.00%	(0.01)	0.00%	(0.07)	0.00%	(0.08)
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				

49 The financial statements were approved for issue by the Board of Directors, at its meeting held on June 8, 2021

50 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".

Signatures to Notes "1" to "50"

As per our Report of even date

For R S Dani & Co
Firm Registration No.000243C
Chartered Accountants

C P Kothari
Partner
Membership No. 072229
Ajmer

Alok Kumar Vaish
Chief Financial Officer
M. No. F089930

Kausik Adhikari
Company Secretary
M. No. ACS 18556

Atul Hasmukhrai Mehta
Director
DIN: 00112451

Shalu Bhandari
Director
DIN: 00012556

For and on behalf of the Board

Kushagra Bajaj
Chairman
DIN: 00017575

Ashok Kumar Gupta
Managing Director
DIN: 02608184

Vinod C Sampat
Director
DIN: 09024617

Ashok Mukand
Director
DIN: 00324588

Mumbai, June 08, 2021

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

Sl. 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-2020 to 31-Dec-2020	01-Jan-2020 to 31-Dec-2020
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	146.27	2.52	2.52
4	Other equity	(106.65)	(0.26)	(41.44)	(3.01)	(10.74)
5	Total assets	57.79	1,579.19	120.03	3.06	2.26
6	Total Liabilities	159.44	1,579.43	15.20	3.55	10.48
7	Investments @	-	266.85	109.07	-	-
8	Turnover *	6.67	0.01	-	-	-
9	Profit before taxation	(19.76)	(0.02)	(0.77)	(0.18)	(1.15)
10	Provision for taxation	-	0.19	-	-	-
11	Profit after taxation	(19.76)	(0.21)	(0.77)	(0.18)	(1.15)
12	Proposed Dividend	-	-	-		-
13	% of shareholding	100%	100%	100%	99%	99.88%

Notes :
* 1 Turnover is net of Duties and Taxes.
@ 2 Investments excludes investment in subsidiaries.
# 3 The financial statements are translated at the exchange rate as on 31.03.2021 i.e. 1 USD = INR 73.5047
$ 4 The financial statements are translated at the exchange rate as on 31.03.2021 i.e. (1 USD = IDR 14572) and (1 USD = INR 73,5047)

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, 2020	March 31, 2020
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.

bajaj SUGAR | Bajaj Hindusthan Sugar Ltd.