

August 13, 2015

|                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                           |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Deputy General Manager</b><br><b>Corporate Relationship Department</b><br><b>BSE Limited</b><br><b>First Floor, New Trade Wing</b><br><b>Rotunda Building, Phiroze Jeejeebhoy</b><br><b>Towers, Dalal Street, Fort</b><br><b>Mumbai 400 023</b><br><br><b>Stock Code: 500032</b><br><br><b>Fax No. 2272 3719/2037</b> | <b>National Stock Exchange of India Ltd.</b><br><b>Exchange Plaza, 5<sup>th</sup> Floor</b><br><b>Plot No. C/1, 'G' Block</b><br><b>Bandra – Kurla Complex</b><br><b>Bandra (East)</b><br><b>Mumbai 400 051</b><br><br><b>Stock Code BAJAJHIND</b><br><br><b>Fax No. 2659 8237 / 8238</b> |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

Dear Sirs,

**Re: Clause 31 and 49 of the Listing Agreement**

With reference to Clause 31 and 49 of the Listing Agreement, we send herewith the following:

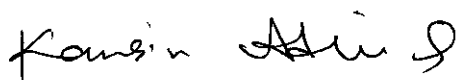
1. Six copies of the Annual Report for the financial year ended March 31, 2015 containing the Directors' Report, Management Discussion and Analysis Report, Report on Corporate Governance Compliance (with a separate section on the shareholder information) (ref. Clause 49) and Auditors' certificate thereon, Auditors' Report, Balance Sheet as at March 31, 2015, Statement of Profit and Loss for the period ended March 31, 2015, Cash Flow Statement for the period ended March 31, 2015 and Auditors' Certificate thereon.
2. Six copies of Notice convening the 83<sup>rd</sup> Annual General Meeting of the Shareholders of the Company.
3. One copy of Auditors' Certificate on compliance of Corporate Governance requirement pursuant to Clause 49 of the Listing Agreement.
4. Form A.

Kindly take the same on record.

Please note that we are also sending one copy of the documents mentioned in Para 1 and 2 above to all the other recognized Stock Exchanges in India simultaneously.

Thanking you,

Yours faithfully,  
For Bajaj Hindusthan Sugar Limited



Kausik Adhikari  
Deputy Company Secretary

Encl: as above

**AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

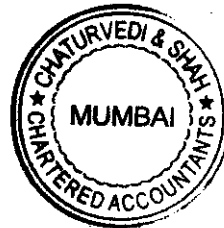
To the Members,  
**Bajaj Hindusthan Sugar Limited**

We have examined the compliance of conditions of Corporate Governance by Bajaj Hindusthan Sugar Limited, for the year ended on 31st March 2015, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said Clause.

It is neither an audit nor an expression of opinion on the financial statements of the Company. In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that, *except for paragraph 49(III)(A)(4) of the listing agreement relating to attendance of Chairman of Audit Committee at the Annual General Meeting*, the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above-mentioned Listing Agreement.

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

For Chaturvedi and Shah  
Firm registration No. 101720W  
Chartered Accountants



*Amit Chaturvedi*

**Amit Chaturvedi**  
Partner

Membership No. 103141

Mumbai,  
July, 08, 2015

**FORM A**

**Format of covering letter of the annual audit report to be filed with the Stock Exchange**

|   |                                                |                                                                                 |
|---|------------------------------------------------|---------------------------------------------------------------------------------|
| 1 | Name of the company                            | Bajaj Hindusthan Sugar Limited                                                  |
| 2 | Annual financial statements for the year ended | 31 <sup>st</sup> March, 2015                                                    |
| 3 | Type of Audit observation                      | <del>Un-qualified</del> / Matter of Emphasis                                    |
| 4 | Frequency of observation                       | Appeared for the first time in Auditor's Report for the year ending 31.03.2015. |

*Kushagra Bajaj*

Mr. Kushagra Bajaj  
**Chairman & Managing Director**  
(DIN 00017575)

*Ved Prakash Agrawal*

Mr. Ved Prakash Agrawal  
**Chief Financial Officer**

*R.V. Ruia*

Mr. R.V. Ruia  
**Audit Committee Chairman**  
(DIN 00035853)

**For CHATURVEDI & SHAH**  
Chartered Accountants  
Firm Registration No. 101720W

*Amit Chaturvedi*

**Amit Chaturvedi**  
Partner  
Membership No.: 103141





CIN: L15420UP1931PLC065243

Registered Office: Golagokarnnath, Lakhimpur-Kheri, District Kheri, Uttar Pradesh 262 802

Tel.: +91-5876-233754/5/7/8, 233403, Fax: +91-5876-233401

Website: www.bajajhindusthan.com

## NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the **Eighty Third Annual General Meeting** of the Members of Bajaj Hindusthan Sugar Limited (Formerly: Bajaj Hindusthan Limited) will be held on **Monday, September 14, 2015 at 11.00 A.M.** at BHSL Conference Hall, Golagokarnnath, Lakhimpur-Kheri, District Kheri, Uttar Pradesh – 262 802, to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Standalone and Consolidated Financial Statements for the year ended as at March 31, 2015 and the Reports of the Directors and the Auditors thereon for the said year.
2. To appoint a director in place of Mr. Ashok Kumar Gupta, Director (Group Operations) (DIN: 02608184), who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint M/s. Chaturvedi & Shah (Firm Registration Number 101720W), Chartered Accountants, pursuant to provisions of Section 139 of the Companies Act, 2013, as Auditors of the Company for five consecutive years, to hold office from conclusion of this 83rd Annual General Meeting until the conclusion of the 88th Annual General Meeting of the Company at such remuneration as shall be fixed by the Board of Directors.

### SPECIAL BUSINESS:

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time in force), and Clause 49 of the Listing Agreement, Mrs. Kiran Anuj (DIN: 02606822), appointed as an Additional Director of the Company pursuant to the provisions of Section 161 of the Companies Act, 2013 and the Articles of Association of the Company and who holds office upto the date of this Annual General Meeting, and being eligible, offers herself for appointment and in respect of whom the Company has received a notice in writing from a member, pursuant to the provisions of Section 160 of the Companies Act, 2013 signifying their intention to propose the candidature of Mrs. Kiran Anuj for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation, with effect from the date of this Meeting.”

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, Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof for the time being in force), payment of remuneration of an aggregate amount of ₹ 3,25,000/- (Rupees Three lac Twenty 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 ended March 31, 2016, 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 a Special Resolution:-

“RESOLVED THAT pursuant to the provisions of Section 62(1)(c) read with Section 42 and any other applicable provisions of the Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules, 2014, Companies (Prospectus and Allotment of Securities) Rules, 2014 and such other rules as may be issued from time to time (including any statutory modification(s) or re-enactment thereof for the time being in force), the Foreign Exchange Management Act, 1999, Foreign Exchange Management (Transfer or Issue of Securities by a Person Resident Outside India) Regulations, 2000, the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993 as amended upto date, Regulations for Qualified Institutions Placement contained in Chapter VIII of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009, as amended (“SEBI ICDR Regulations”), the Companies (Issue of Global Depository Receipts) Rules, 2014, the notifications, rules, regulations, guidelines, circulars and clarifications issued by Government of India, Reserve Bank of India (“RBI”), Securities and Exchange Board of India (“SEBI”) and/or any other competent authorities and other applicable laws, listing agreement entered into by the Company with the stock exchanges where the shares of the Company are listed, Articles of Association and subject to all other statutory and regulatory approval(s), consent(s), permission(s) and/or sanction(s) of the Government of India, RBI, Securities and Exchange Board of India (“SEBI”) and all other concerned authorities (hereinafter singly or collectively referred to as the “Appropriate Authorities”) as may be required, and subject to such terms, conditions and modifications as may be prescribed by any of the Appropriate Authorities while granting any such approval, consent, permission and/or sanction and agreed to by the Board of Directors of the Company (the “Board”) (which term shall be deemed to include any Committee which the Board may have constituted or hereafter constitute for the time being exercising the powers conferred on the Board by this resolution), which the Board be and is hereby authorised to accept, if it thinks fit in the interest of the Company, the Board be and is hereby authorised to create, issue, offer and allot equity shares and/or securities in one or more tranches, whether denominated in rupee or foreign currency(ies), in the course of international and/or domestic offering(s) in one or more foreign market(s), for a value of up to ₹ 3000 crore (Rupees Three thousand crore only) including Equity Shares and/or Other Financial Instruments (“OFIs”) through Qualified Institutions Placement (“QIP”) to Qualified Institutional Buyers (“QIB”), Global Depository Receipts (“GDRs”), American Depository Receipts (“ADRs”), Foreign Currency Convertible Bonds (“FCCBs”), any other Depository Receipt Mechanism and/or convertible into Equity Shares (either at the option of the Company or the holders thereof) at a later date, any such instrument or security including any financial instruments convertible

into Equity Shares (including warrants or otherwise in registered or bearer form) and/or any security convertible into Equity Shares and/or securities linked to Equity Shares and/or securities without detachable warrants with rights exercisable by the warrant holders to convert or subscribe to Equity Shares or securities including Global Depository Receipts and American Depository Receipts representing Equity Shares (hereinafter collectively referred to as the "Securities") or any combination of Equity Shares with or without premium, to be subscribed to in Indian and/or any foreign currency(ies) by resident or non-resident/ foreign investors (whether institutions and/or incorporated bodies and/or individuals and/or trusts and/or otherwise)/Foreign Institutional Investors ("FIIs")/Mutual Funds/Pension Funds/Venture Capital Funds/Banks and such other persons or entities, whether or not such investors are members of the Company, to all or any of them, jointly or severally through prospectus, offer document and/or other letter or circular ("Offer Document") and/or on private placement basis, from time to time in one or more tranches as may be deemed appropriate by the Board and such issue and allotment to be made on such occasion or occasions, at such value or values, at a discount or at a premium to the market price prevailing at the time of the issue and in such form and manner and on such terms and conditions or such modifications thereto as the Board may determine in consultation with the Lead Manager(s) and/or Underwriters and/or other Advisors, with authority to retain over subscription up to such percentage as may be permitted by the Appropriate Authorities, at such price or prices, at such interest or additional interest, at a discount or at a premium on the market price or prices and in such form and manner and on such terms and conditions or such modifications thereto, including the number of Securities to be issued, face value, rate of interest, redemption period, manner of redemption, amount of premium on redemption/ prepayment, number of further equity shares, to be allotted on conversion/ redemption/extinguishment of debt(s), exercise of rights attached to the warrants, the ratio of exchange of shares and/or warrants and/or any other financial instrument, period of conversion, fixing of record date or book closure and all other related or incidental matters as the Board may in its absolute discretion think fit and decide in consultation with the Appropriate Authority(ies), the Merchant Banker(s) and/or Lead Manager(s) and/or Underwriter(s) and/or Advisor(s) and/or such other person(s), but without requiring any further approval or consent from the shareholders and also subject to the applicable regulations for the time being in force."

"RESOLVED FURTHER THAT if any issue of Securities is made by way of a Qualified Institutions Placement in terms of Chapter VIII of the SEBI ICDR Regulations, the allotment of the Securities, or any combination of Securities as may be decided by the Board shall be completed within twelve months from the date of this resolution or such other time as may be allowed under the SEBI ICDR Regulations from time to time at such price being not less than the price determined in accordance with the pricing formula provided under Chapter VIII of the SEBI ICDR Regulations as may be amended from time to time and the Securities shall not be eligible to be sold for a period of twelve months from the date of allotment, except on a recognized stock exchange, or except as may be permitted from time to time under the SEBI ICDR Regulations."

"RESOLVED FURTHER THAT the Board may at its absolute discretion issue Securities at a discount of not more than 5% or such other discount permitted under the applicable SEBI ICDR Regulations to the QIP Floor Price as determined in accordance with the SEBI ICDR Regulations."

"RESOLVED FURTHER THAT if any issue of Securities is made by way of a Qualified Institutions Placement in terms of Chapter VIII of the SEBI ICDR Regulations a minimum of 10% of the Securities issued pursuant to said regulations shall be allotted to mutual funds and if no mutual fund is agreeable to take up the minimum portion or any part thereof, then such minimum portion or part thereof may be allotted to other QIB(s) or otherwise."

"RESOLVED FURTHER THAT the Relevant Date for determining the pricing of the securities on Qualified Institutions Placement to QIBs as per the provisions of Chapter VIII of SEBI ICDR Regulations (Issue of Capital & Disclosure Requirements) Regulations, 2009 is the date of the meeting in which the Board decides to open the proposed issue or such date, if any, as may be notified by SEBI from time to time."

"RESOLVED FURTHER THAT the relevant date for the determination of applicable price for the issue of any Securities, shall be as per the regulations/ guidelines prescribed by SEBI, Ministry of Finance, RBI, Government of India or any Appropriate Authority, or any other regulator and the pricing of any Equity Shares issued upon the conversion of the Securities shall be made subject to and in compliance with the applicable rules and regulations and such price shall be subject to appropriate adjustments in the applicable rules/guidelines/ statutory provisions."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to allot further shares up to 15 (fifteen) percent of its issue size to the Stabilisation Agent by availing the Green Shoe Option subject to the provisions of relevant SEBI ICDR Regulations and enter into and execute all such agreements and arrangements with any Merchant Banker or Book Runner, as the case may be, involved or concerned in such offerings of Securities and to pay all such fee/expenses as may be mutually agreed between the Company and the said Stabilisation Agent."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to enter into and execute all such agreements and arrangements with any Lead Manager(s), Co-Lead Manager(s), Manager(s), Advisor(s), Underwriter(s), Guarantor(s), Depository(ies), Custodian(s), Trustee, Stabilisation Agent, Banker/Escrow Banker to the Issue and all such agencies as may be involved or concerned in such offerings of Securities and to remunerate all such agencies by way of commission, brokerage, fees or the like, and also to seek the listing of such Securities in one or more Indian/International Stock Exchanges."

"RESOLVED FURTHER THAT for the purpose of giving effect to the above Resolutions, the Board be and is hereby authorized to do all such acts, deeds, matters and things including but not limited to finalization and approval for the draft as well as final offer document(s) determining the form and manner of the issue, including the class of investors to whom the Securities are to be issued and allotted, number of Securities to be allotted, issue price, face value, premium amount on issue/ conversion of the Securities, if any, rate of interest, execution of various transaction documents, creation of mortgage/charge in accordance with Section 180(1)(a) and other applicable provisions, if any of the Companies Act, 2013 as well as applicable provisions of the Companies Act, 1956, if any, in respect of any securities as may be required either on pari passu basis or otherwise, as it may in its absolute discretion deem fit and to settle all questions, difficulties or doubts that may arise in regard to the issue, offer or allotment of securities and utilization of the issue proceeds as it may in its absolute discretion deem fit without being required to seek any further consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this Resolution."

"RESOLVED FURTHER THAT the Board and/or an agency or body authorised by the Board may issue Depository Receipt(s) or Certificate(s), representing the underlying securities issued by the Company in registered or bearer form with such features and attributes as are prevalent in Indian and/or International Capital Markets for the instruments of this nature and to provide for the tradability or free transferability thereof, as per the Indian/International practices and regulations and under the norms and practices prevalent in the Indian/International Markets."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to issue and allot such number of further equity shares as may be required to be issued and allotted upon conversion of any securities or as may be necessary in accordance with the terms of the offering, all such further equity shares ranking pari-passu with the existing equity shares of the Company in all respects except provided otherwise under the terms of issue and in the offer document."

"RESOLVED FURTHER THAT subject to the existing law and regulations, such securities to be issued, that are not subscribed, may be disposed of by the Board to such person(s) and in such manner and on such terms as the Board may in its absolute discretion think most beneficial to the Company, including offering or placing them with resident or non-resident/foreign investor(s) (whether institutions and/or incorporated bodies and/or individuals and/or trusts and/or otherwise)/ Foreign Institutional Investors ("FIIs")/Qualified Institutional Buyers ("QIBs")/Mutual Funds/Pension Funds/Venture Capital Funds/Banks and/or Employees and Business Associates of the Company or such other person(s) or entity(ies) or otherwise, whether or not such investors are members of the Company, as the Board may in its absolute discretion decide."

"RESOLVED FURTHER THAT for the purpose of giving effect to the above resolutions, the Board be and is hereby authorised on behalf of the Company to agree to and make and accept such conditions, modifications and alterations stipulated by any of the relevant authorities while according approvals, consents or permissions to the issue as may be considered necessary, proper and expedient and to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable for such purpose, including without limitation the entering into of underwriting, marketing, depository and custodian arrangements and with power on behalf of the Company to settle any questions, difficulties or doubts that may arise in regard to any such issue(s)/offer(s) or allotment(s) or otherwise and utilisation of the issue proceeds and/or otherwise to alter or modify the terms of issue, if any, as it may in its absolute discretion deem fit and proper without being required to seek any further consent or approval of the Company to the end and intent that the Company shall be deemed to have given its approval thereto expressly by the authority of this resolution."

"RESOLVED FURTHER THAT to the extent permissible under Law, the Board be and is hereby authorised to delegate all or any of the powers herein conferred by this resolution on it, to any Committee of Directors or any person or persons, as it may in its absolute discretion deem fit in order to give effect to this resolution."

By Order of the Board of Directors



Place: Mumbai  
Dated: July 08, 2015

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

#### NOTES:

- 1. A member entitled to attend and vote at the Annual General Meeting ("meeting") is entitled to appoint a proxy to attend and vote on a poll instead of himself /herself and the proxy need not be a member of the Company. The instrument appointing the proxy, in order to be effective, shall be deposited at the Registered Office of the Company not less than forty-eight hours before the commencement of the Meeting. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. A member holding more than ten percent, of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.**
2. Corporate members intending to send their authorised representatives to attend the Annual General Meeting are requested to send to the Company a certified true copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
3. In case of joint holders attending the Meeting, only such joint holder who is higher in order of names will be entitled to vote.
4. In terms of Article 104 of the Articles of Association, read with Section 152 of the Companies Act, 2013 Mr. Ashok Kumar Gupta, Director (Group Operations) (DIN :02608184), Director retires by rotation and being eligible, offer himself for reappointment. The Board of Directors commends his reappointment.
5. Brief resume of all Directors proposed to be 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 Clause 49 of the Listing Agreement with Stock Exchanges are provided in the annexure to the notice.
6. The Statement setting out the material facts pursuant to Section 102 of the Companies Act, 2013 ("the Act"), concerning the Special Business in the Notice is annexed hereto and forms part of this Notice.
7. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or arrangements in which the Directors are available for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, between 11.00 a.m. and 1.00 p.m. up to the date of the Annual General Meeting.
8. The Register of Members and Share Transfer Books of the Company shall remain closed from Tuesday, September 08, 2015 to Monday, September 14, 2015 (both days inclusive) for the purpose of Annual General Meeting.
9. Members are requested to furnish their bank account details, change of address and all other required details to the Registrar & Share Transfer Agent in respect of shares if held in physical form. In case of shares held in electronic form, these details should be furnished to the respective Depository Participants (DPs).

10. The Securities and Exchange Board of India ("SEBI") 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. Sharepro Services (India) Private Ltd.
11. For convenience of the members and for proper conduct of the meeting, entry to the place of the meeting will be regulated by way of attendance slip, which is annexed to this Notice. Members are requested to bring their Attendance Slip, sign the same at the place provided and hand it over at the entrance of the venue.
12. Members are requested to send all communications relating to shares to the Registrar and Share Transfer Agent of the Company at the following address:

| By Post/ Courier/ Hand Delivery                                                                                                                                                                                                                                                                                                                                                                                        | By Hand Delivery                                                                                                                                                                                                                                                                                                          |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| M/s Sharepro Services (India) Pvt. Ltd.<br>Unit : Bajaj Hindusthan Sugar Limited<br>13 AB, 2nd Floor,<br>Samhita Warehousing Complex,<br>Behind Sakinaka Telephone Exchange,<br>Andheri Kurla Road, Sakinaka,<br>Andheri (East), Mumbai 400 072<br>Tel. No.: 022 6772 0400 / 001 / 002<br>Fax No.: 022 2850 8927, 2859 1568<br>Email: <a href="mailto:sharepro@shareproservices.com">sharepro@shareproservices.com</a> | M/s Sharepro Services (India) Pvt. Ltd.<br>Unit : Bajaj Hindusthan Sugar Limited<br>912 Raheja Centre,<br>Free Press Journal Road<br>Nariman Point, Mumbai – 400 021<br>Tel. No.: 022 2282 1568 / 69<br>Fax No.: 022 2282 5484<br>Email: <a href="mailto:sharepro@shareproservices.com">sharepro@shareproservices.com</a> |

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

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

| Dividend for the year | Date of Declaration of Dividend | Due Date of transfer to The Investor Education and Protection Fund |
|-----------------------|---------------------------------|--------------------------------------------------------------------|
| 2007-2008             | 24/03/2009                      | 29/04/2016                                                         |
| 2008-2009             | 18/03/2010                      | 23/04/2017                                                         |
| 2009-2010             | 22/03/2011                      | 27/04/2018                                                         |
| 2010-2011             | 11/02/2012                      | 17/03/2019                                                         |
| 2011-2012             | 14/02/2013                      | 21/03/2020                                                         |
| 2012-2014             | --                              | --                                                                 |

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

The Ministry of Corporate Affairs (MCA) on 10th May, 2012 notified the IEPF (Uploading of information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012 (IEPF Rules), which is applicable to the Company. The objective of the IEPF Rules is to help the shareholders ascertain status of the unclaimed amounts and overcome the problems due to misplacement of intimation thereof by post etc. In terms of said IEPF Rules, the Company has uploaded the information in respect of the Unclaimed Dividends in respect of the financial years from 2006-2007, as on the date of the 82nd Annual General Meeting held on 12th August 2014, on the website of the IEPF viz. [www.iepf.gov.in](http://www.iepf.gov.in) and under 'Investors Section' on the website of the Company viz. [www.bajajhindusthan.com](http://www.bajajhindusthan.com)

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

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



16. Electronic copy of the annual report for 2014-2015 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the annual report for 2014-2015 is being sent in the permitted mode.
17. Electronic copy of the Notice of the 83rd Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of 83rd Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
18. Members may please note that the Notice of the 83rd Annual General Meeting and the Annual Report for 2014-2015 will also be available on the Company's website [www.bajajhindusthan.com](http://www.bajajhindusthan.com) for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: [investor.complaints@bajajhindusthan.com](mailto:investor.complaints@bajajhindusthan.com).
19. 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.
20. Voting through electronic means

In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Clause 35B of the Listing Agreement, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM (remote e-voting) will be provided by National Securities Depository Limited (NSDL).

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

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

The remote e-voting period commences on 10/09/2015 (9.00 a.m.) and ends on 13/09/2015 (5.00 p.m.). During this period members' of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date of 07/09/2015 may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

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

The instructions for remote e-voting are as under:

- A. Members whose e-mail ID(s) are registered with the Company/Depository Participants (CDSL/NSDL), the procedure to vote electronically is as under:
  - (i) Open email and open PDF file viz., "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
  - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
  - (iii) Click on Shareholder – Login
  - (iv) Put user ID and password as initial password/PIN note in step (i) above. Click Login.
  - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
  - (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
  - (vii) Select "EVEN" of Bajaj Hindusthan Sugar Limited.
  - (viii) Now you are ready for remote e-voting as Cast Vote page opens.
  - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
  - (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
  - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
  - (xii) Institutional shareholders i.e. other than individuals, HUF, NRI, etc. are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority Letter etc. together with attested specimen signature of the duly authorized signatory/ies who are authorized to vote, to the Scrutinizer through e-mail to [shalubhandari@gmail.com](mailto:shalubhandari@gmail.com) or [kadhikari@bajajhindusthan.com](mailto:kadhikari@bajajhindusthan.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).



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

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

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

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

- C. In case of any queries, you may refer the frequently asked questions (FAQs) for shareholders and e-Voting user manual for shareholders available at the Downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no. 1800-222-990.

Alternatively, you can also contact on [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for any queries or grievances connected with remote e-voting service.

- D. If you already registered with NSDL for e-Voting then you can use your existing user ID and password/PIN for casting your vote.
- E. You can also update your mobile number and email id in the user profile details of the folio which may be used for sending future communications(s).
- F. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e. 07/09/2015.

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

- G. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 07/09/2015, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) . If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/ Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.1800-222-990.
- H. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- I. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- J. The Company has appointed M/s. S.L.Bhandari Associates, Practicing Company Secretaries, as the Scrutinizer of the Company conducting the remote e-voting and Mr. Avinash Chandra Chaturvedi, Advocate, as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process at the AGM in a fair and transparent manner.
- K. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

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

- L. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 3 days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- M. The Results shall be declared by the Chairman or any other person authorized by him in writing on or within a period of 3 days from the conclusion of the Annual General Meeting. The results declared shall be along with the consolidated Report of the Scrutinizer be placed on the website of the Company [www.bajajhindusthan.com](http://www.bajajhindusthan.com) and on the website of NSDL immediately after the declaration of results. The results shall also be immediately forwarded to BSE and NSE where the equity shares of the Company are listed.
- N. The remote e-voting period commences on 10th September 2015 (9.00 a.m.) and ends on 13th September 2015 (5.00 p.m.). During this period, shareholders of the Company holding shares either in physical form or in dematerialized form, as on cut-off date of 7th September 2015, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, shareholder shall not be allowed to change it subsequently. Electronic voting shall not be allowed beyond the said date and time.

Updates in respect of resolutions at Item no. 2 and 3 passed vide Postal Ballot Notice dated 15.01.2015, result of which was declared on March 05, 2015:

1. The Company has not allotted any shares in regard to the approval obtained for "issue of equity shares on preferential basis on conversion of Funded Interest Term Loan to JLF Lenders" vide item no. 2 of the notice of postal ballot dated 15.01.2015.
2. Relevant Date and price for issue of shares on conversion of Funded Interest Term Loan (FITL) pursuant to the Restructuring Scheme under Joint Lenders Forum (JLF) route:
  - a) Relevant Date: December 30, 2014, being the date on which restructuring proposal is approved by lenders i.e. 60% approval by number and 75% approval by value is sanctioned as mentioned in the Restructuring Scheme.
  - b) Issue Price: ₹ 21.77 per equity share.

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

The following Statement sets out all the material facts relating to the Special Business mentioned under Item Nos. 4 to 6 of the accompanying Notice.

### In respect of Item No. 4

The Board of Directors had appointed Mrs. Kiran Anuj as Additional Director from 30th March 2015. Mrs. Kiran Anuj (DIN:02606822) has more than 34 years of experience in areas of Public Relations and Liaisoning. Prior to joining, she has worked with Western Electronics Ltd. as Executive Manager and with Lomex Mascon, Moscow as Manager – Marketing. She holds the degree of B.A.Hons. and also has obtained professional qualification in Overseas Secretarial Practices from YWCA, New Delhi.

The other details of Mrs. Kiran Anuj in terms of Clause 49 of the Listing Agreement, is annexed to this Notice.

In terms of Section 161(1) of the Companies Act, 2013 read with Article 94 of the Articles of Association of the Company, Mrs. Kiran Anuj holds office as Additional Director only up to the date of the forthcoming Annual General Meeting.

The Company has received a notice pursuant to Section 160 of the Companies Act, 2013 along with the amount of requisite deposit from one of the members signifying their intention to propose the appointment of Mrs. Kiran Anuj as a Director. Mrs. Kiran Anuj has consented to continue as Director of the Company, if appointed. The Board of Directors consider that it would be in the interest of the Company to continue to avail the services of Mrs. Kiran Anuj as a Director liable to retire by rotation and hence recommend her appointment.

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

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

Mrs. Kiran Anuj is interested in the Resolution pertaining to her respective appointment at Item No.4 of the Notice. Save as aforesaid, none of the Directors of the Company and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in anyway, in the said resolution.

### In respect of Item No. 5

On recommendation of Audit Committee at its meeting held on May 28, 2015, 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 ended March 31, 2016 of the Company's Sugar, Distillery and Co-gen units of the Company located at Golagokarannath, Palia Kalan, Khambarkhera, Barkhera, Maqsoodapur, Kinauni, Thanabhawan, Budhana, Bilai, Gangnauli, Pratappur, Rudauli, Utraula, and Kundarkhi at an aggregate remuneration of ₹ 3.25 lacs (Rupees Three lac twentyfive 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, 2016.

The Board of Directors recommend 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

Any increase in subscribed capital by issue of further shares by any company is required to be in compliance of the provisions of Section 62 of the Companies Act, 2013 (the "Act"). For issuance of further shares that may be offered to any person otherwise than as stated in Section 62(1) (a) of the Act, prior permission of shareholders is required to be obtained by way of passing of a special resolution pursuant to Section 62(1)(c) of the Act.

The provisions of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 [SEBI (ICDR), Regulations, 2009] and various regulations under Foreign Exchange Management Act, 1999 (FEMA), require approval of shareholders by way of special resolution to be obtained for issuance of further shares by way of qualified institutional placement (QIP). A special resolution is also required for issue of global depository receipt (GDRs), american depository receipt (ADRs), foreign currency convertible bond (FCCBs), debentures or any other securities convertible into equity shares by any listed company.

As per Regulation 88 of Chapter VIII of the SEBI (ICDR) Regulations, 2009, allotment pursuant to the special resolution approving the QIP issue passed by the shareholders shall be completed within a period of twelve months from the date of passing of the resolution. The Company has been seeking such enabling approval from shareholders for issuance of further shares from time to time. The last resolution in this regard was passed by the Company at the 82nd Annual General Meeting held on August 12, 2014 for an amount upto ₹ 3,000 crore, which for the purpose of raising funds through QIP issue is valid only up to August 11, 2015. To enable the Company to raise equity funds depending upon its business needs and as may be advised, approval of shareholders is being sought, as an enabling authorization, for issue of equity shares and/or any other financial instruments convertible into equity shares through qualified institutional placement (QIP) under SEBI (ICDR) Regulations, 2009 and/ or through such other modes, as the Board may deem appropriate, including through issue of securities in the international markets by way of GDRs/ ADRs/ FCCBs etc. in one or more tranches, up to an amount not exceeding ₹ 3,000 crore (Rupees Three thousand crore).

As per Regulation 85 of Chapter VIII of the SEBI (ICDR) Regulations, 2009, issue of specified securities shall be made at a price not less than the average of the weekly high and low of the closing prices of the related shares quoted on a stock exchange during the two weeks preceding the relevant date. The "relevant date" for

the purpose of Regulation 85 means the date of meeting in which the Board or any committee of directors duly authorised by the Board of the Company decides to open the proposed issue.

Further, as per Regulation 89 of Chapter VIII of the SEBI (ICDR) Regulations, 2009, the aggregate of the proposed qualified institutional placements and all previous qualified institutional placements made by the Company in the same financial year shall not exceed 5 times the net worth of the Company as per the audited Balance Sheet of the previous financial year.

Therefore, the Board of your Company has recommended the Special Resolution at Item No. 6 of the Notice to be passed by the shareholders, so as to enable it to issue further equity shares and/or other securities in an appropriate manner, which will include issue on QIP basis.

The said Special Resolution is only an enabling one seeking authority to the Board to raise funds from time to time as may be required.

The Board of Directors recommend passing of the Special Resolution set out at Item No. 6 of the Notice.

All the Directors may be deemed to be interested in the Resolution at Item No. 6 to the extent of shares and/or securities that may be offered to them and/or entities in which any of respective Director is deemed to be interested. 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



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

Place: Mumbai  
Dated: July 08, 2015.

Details of Directors seeking appointment/re-appointment at the 83rd Annual General Meeting (in pursuance of Clause 49 of the Listing Agreement)

| Name of the Director                                                                                                                                                                                                         | Mr. Ashok Kumar Gupta                  | Mrs. Kiran Anuj                                                                                                                    |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------|------------------------------------------------------------------------------------------------------------------------------------|
| Director Identification Number                                                                                                                                                                                               | 02608184                               | 02606822                                                                                                                           |
| Date of Birth                                                                                                                                                                                                                | 15.04.1951                             | 04.05.1958                                                                                                                         |
| Nationality                                                                                                                                                                                                                  | Indian                                 | Indian                                                                                                                             |
| Date of appointment on the Board                                                                                                                                                                                             | 01.10.2012                             | 30.03.2015                                                                                                                         |
| Relationship with other director                                                                                                                                                                                             | None                                   | None                                                                                                                               |
| Qualifications                                                                                                                                                                                                               | M.Com.                                 | B.A.Hons.                                                                                                                          |
| Expertise in functional area                                                                                                                                                                                                 | Operation of Sugar & Distillery plants | Public Relations and Liaisoning                                                                                                    |
| Number of shares held in the Company                                                                                                                                                                                         | 2900                                   | Nil                                                                                                                                |
| List of Directorships held in other companies                                                                                                                                                                                | Nil                                    | Bajaj Infrastructure Development Co. Ltd.<br>Blue Mountain Impex Pvt . Ltd.<br>Phenil Sugars Pvt. Ltd.<br>Bajaj Aviation Pvt. Ltd. |
| Chairman/Member of the Committees of the Boards of other companies in which he/she is Director                                                                                                                               | Nil                                    | Nil                                                                                                                                |
| Directorships includes Directorship of other than Indian Public Companies and Committee memberships includes only Audit Committee and Stakeholder's Relationship Committee of Public Limited Company (whether Listed or not) |                                        |                                                                                                                                    |



CIN: L15420UP1931PLC065243

**Registered Office:** Golagokarannath, Lakhimpur-Kheri, District Kheri, Uttar Pradesh 262802

**Tel.:** +91-5876-233754/5/7/8,233403, **Fax:** +91-5876-233401, **Website:** www.bajajhindusthan.com

**ATTENDANCE SLIP FOR 83<sup>RD</sup> ANNUAL GENERAL MEETING**

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

**Sr. No.**

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

Name of the Shareholder :

Registered Address  
of the Shareholder :

No. of Shares :

I/We hereby record my/our presence at the 83<sup>rd</sup> Annual General Meeting of the Company on **Monday, September 14, 2015 at 11.00 a.m. at BHSL Conference Hall, Golagokarannath, Lakhimpur-Kheri, district Kheri, Uttar Pradesh 262 802.**

First/Sole holder/Proxy

Second holder/Proxy

Third holder / Proxy

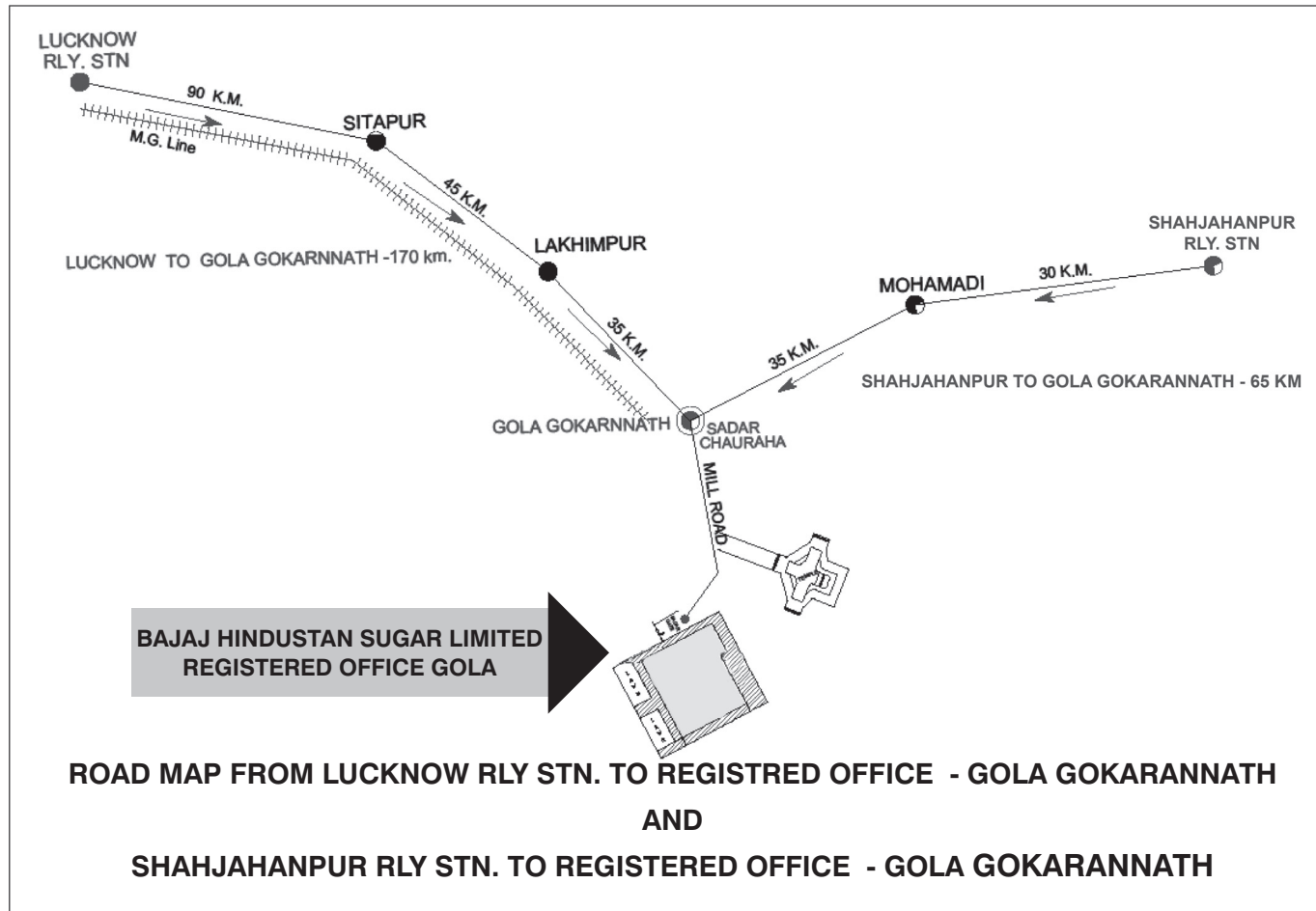
Fourth holder / Proxy

**FOR IMMEDIATE ATTENTION OF THE SHAREHOLDERS**

Shareholders may please note the user ID and Password given below for the purpose of remote e-voting in terms of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) as amended by the Companies (Management and Administration) Amendment Rules, 2015). Detailed instructions for remote e-voting are given in the 83<sup>rd</sup> AGM Notice.

| REVEN<br>(Remote e-voting Event Number) | USER ID | PASSWORD/PIN |
|-----------------------------------------|---------|--------------|
|                                         |         |              |

## LOCATION OF BHSL CONFERENCE HALL OF BAJAJ HINDUSTHAN SUGAR LIMITED



### Notes:

1. Registration will start at 10.00 a.m. on the day of Annual General Meeting (AGM).
2. Members are required to produce their duly signed Attendance Slips and get their entry passes stamped.
3. Members should produce their entry passes at the entrance of the BHSL Conference Hall for attending the AGM.
4. Members are informed that in case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
5. This Attendance Slip is valid only in case shares are held on the date of the meeting.
6. Members who have received Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit duly filled in Attendance Slip at the entrance hall to attend the AGM.

### Electronic Voting (e-Voting):

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



(formerly: Bajaj Hindusthan Ltd.)

CIN: L15420UP1931PLC065243

Registered Office: Golagokarannath, Lakhimpur-Kheri, District Kheri, Uttar Pradesh 262802

Tel.: +91-5876-233754/5/7/8,233403, Fax: +91-5876-233401, Website: www.bajajhindusthan.com

### Form No. MGT-11

### PROXY FORM

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

Name of the member(s): \_\_\_\_\_

Registered Address: \_\_\_\_\_

Email ID: \_\_\_\_\_ Folio No./Client ID/DP ID: \_\_\_\_\_

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

1. Name : \_\_\_\_\_ E-mail ID : \_\_\_\_\_

Address : \_\_\_\_\_  
Signature: \_\_\_\_\_ or failing him/her

2. Name : \_\_\_\_\_ E-mail ID : \_\_\_\_\_

Address : \_\_\_\_\_  
Signature: \_\_\_\_\_ or failing him/her

3. Name : \_\_\_\_\_ E-mail ID : \_\_\_\_\_

Address : \_\_\_\_\_  
Signature: \_\_\_\_\_

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 83rd Annual General Meeting of the Company, to be held on **Monday, September 14, 2015 at 11.00 a.m.** at **BHSL Conference Hall, Golagokarannath, Lakhimpur Kheri, district Kheri, Uttar Pradesh 262 802** and at any adjournment thereof in respect of such resolutions as are indicated below:

| Resolution                                                                                                                                                                      | For*                     | Against                  |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|--------------------------|
| <b>Ordinary Business</b>                                                                                                                                                        |                          |                          |
| 1. Adoption of financial statements for the year ended as at March 31, 2015 and the Reports of the Directors and Auditors thereon.                                              | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. Re-appointment of Mr. Ashok Kumar Gupta (DIN No.02608184), as Director, who retires by rotation and being eligible offers himself for re-appointment.                        | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. Appointment of M/s Chaturvedi & Shah, Chartered Accountants (Firm Registration No.101720W) as auditors for five consecutive years of the Company and fix their remuneration. | <input type="checkbox"/> | <input type="checkbox"/> |
| <b>Special Business</b>                                                                                                                                                         |                          |                          |
| 4. Appointment of Mrs. Kiran Anuj (DIN:02606822) as a Director of the Company liable to retire by rotation.                                                                     | <input type="checkbox"/> | <input type="checkbox"/> |
| 5. Ratification of the remuneration payable to cost auditors for the year 2015-2016.                                                                                            | <input type="checkbox"/> | <input type="checkbox"/> |
| 6. Further issue of share capital pursuant to Section 62(1)(c) of the Companies Act, 2013 by way of QIPs/GDRs/FCCBs, etc.                                                       | <input type="checkbox"/> | <input type="checkbox"/> |

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

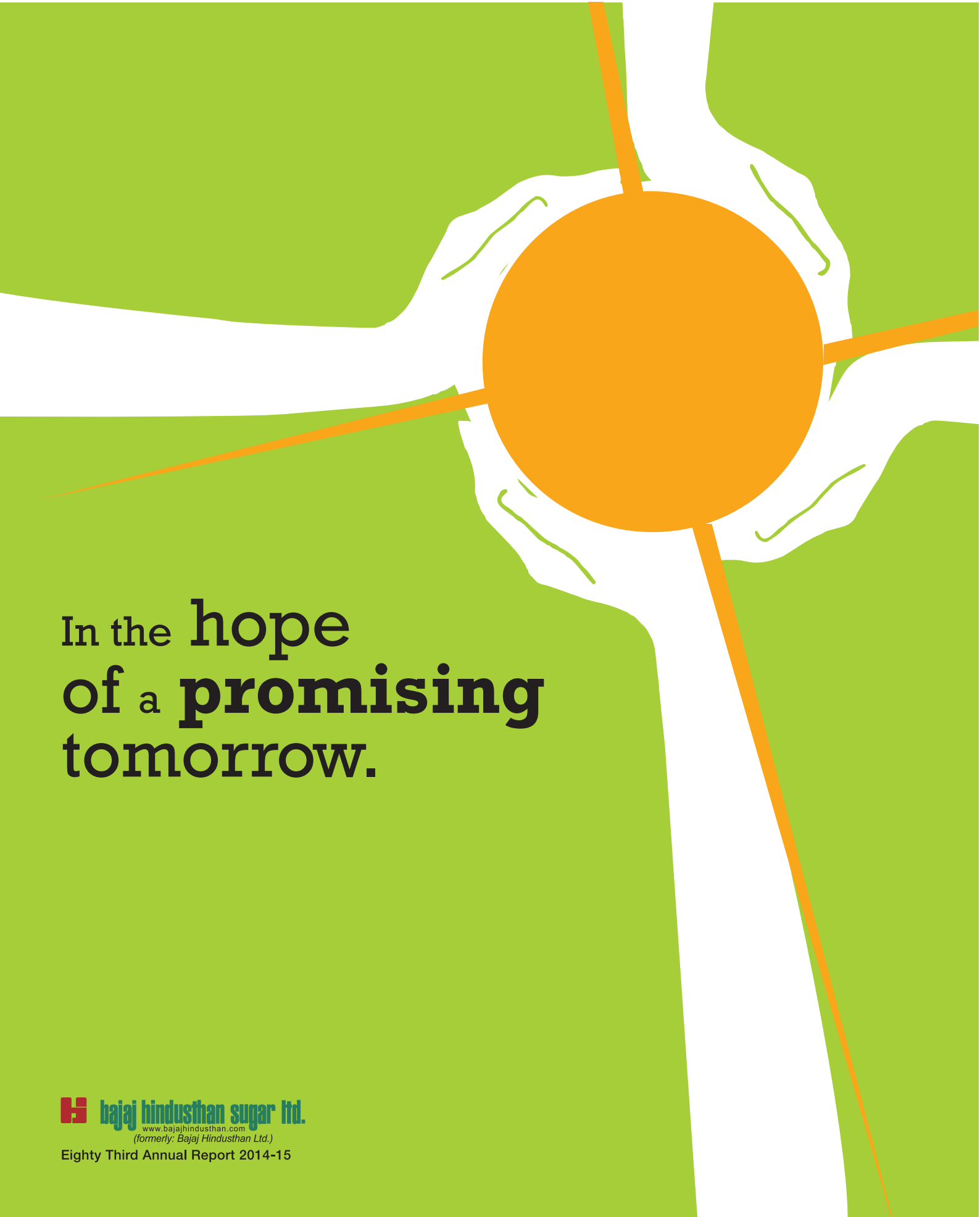
Signed ..... day of ..... 2015.

Signature of the proxy holder(s) \_\_\_\_\_



#### Notes:

- \*1. Please put a "X" in the Box in the appropriate column against the respective resolutions. If you leave the "For" or Against column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
2. This form of proxy in order to be effective, should be duly completed, stamped, signed and deposited at the registered office of the Company, not less than 48 hours before the commencement of the meeting.
3. For the Resolutions, Statement setting out material facts thereon and notes, please refer to the Notice of the 83<sup>rd</sup> Annual General Meeting.



In the hope  
of a **promising**  
tomorrow.



Working **towards**  
a brighter  
**future.**

# GLIMPSES OF CSR PROGRAMMES

**851 Villages Covered**

**1,28,380 Families Benefited**

**7,23,130 Population Covered**

## Village Institutions:

- 2651 Village Institutions established (399)

## Water Resource Development and Soil Conservation:

- 115 Rivers/streams of 167 km area rejuvenated (36)
- 77 Check dams constructed (10)
- 2452 Farm ponds constructed (755)
- 1743 Wells recharged (499)
- 206 Group wells constructed (29)
- 1531 Boribundh are installed (732)
- 1355 Lift irrigation devices installed (479)
- 21 Percolation tanks constructed (7)
- 2526 Drip and sprinkler irrigation system installed (565)
- 1267 Acres of farm bunds formed (750)
- 1152 Gabion structures formed (586)
- 52 Farm pond/percolation tank and check dam constructed
- 626 Roof rainwater harvesting structures constructed (208)
- 777 Acre uncultivable land developed through land levelling (209)
- 2203 Acre micro irrigation systems established (530)

## Promotion of Sustainable Agriculture:

- 8497 Families covered under Convergence of Agricultural Interventions in Maharashtra's project (2293)
- 11000 Families adopted better cotton initiative programme (8500)
- 5245 Families benefited under WADI project (1275)
- 1623 Farmers adopted under natural farming (793)
- 2989 Acre horticulture plantation (1150)
- 3031 Families adopted kitchen gardening (1244)
- 1595 Acre under vegetables/cash crops (550)
- 2756 Families adopted natural farming (906)
- 6082 Acre crop demonstrations of new and high yielding varieties (297)
- 285 Azolla units established (32)
- 143 Farmer clubs formed (65)
- 144 Onion storage units installed (5)
- 88 Grameen fridge constructed (5)
- 3 Poly green net shed setup (3)
- 181 Cattle feeding cum drinking water systems constructed (51)
- 239 Power operated chaff cutter installed (105)
- 6 Honey bee keeping unit setup (6)
- 6 Agro-product processing units established (4)

# GLIMPSES OF CSR PROGRAMMES

## Promotion of Non Conventional Energy Sources:

- 2823 Biogas plants installed (941)
- 167 Domestic solar light units installed (7)

## Promotion of Indigenous Cows:

- 7159 Families adopted/benefited Indigenous Cows (2207)

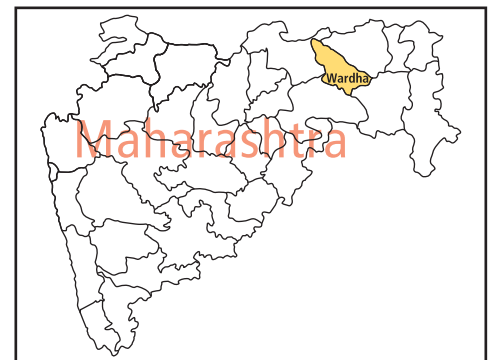
## Women Empowerment:

- 2189 Self help groups formed (542)
- 29819 Families benefited (7674)
- ₹ 4.78 crore of total savings of the members (₹ 2.19 crore)
- ₹ 7.91 crore availed from Internal, KJBF and Banks (₹ 3.40 crore)
- 5130 Families benefited under rural enterprise (2337)

## Our Partners:

- Rural Community of Wardha District
- Nawajbai Ratan Tata Trust (SRTT), Carnegie Mellon University (CMU)
- Cotton Connect South East Asia, National Bank for Agriculture & Rural Development (NABARD)
- International Fund for Agriculture Development (IFAD)
- Government of Maharashtra
- Local Community of Sikar District
- Government of Rajasthan
- Maharana Pratap University of Agriculture and Technology (MPUAT)
- Krishi Vigyan Kendra Sikar
- Jhunjhunu International Horticulture Innovation & Training Centre
- Jaipur Agriculture Times
- Local Banks, Sikar

\*Figures in bracket are achieved during the year 2014-15; rest of the figures are cumulative achievement



Shishir Bajaj addressing women to make their own way through gaining skills in various fields and generate income by adopting income generation activities.



Maximising water storage and groundwater recharge through installation of gabion structures on revived rivers.

Income generation activities become popular among SHG members through which they earn additional income to support their families.







Broad Bed Furrow (BBF) is one of the simple agronomic practice. This year, increased moisture retention capacity had resulted in yield enhancement.

₹ 35,000 fund raised by school children and supported their 25 underprivileged friends to continue their study.



Pramilatai Dongre, Village Pimpalkuta started using Biogas that has increased positively on her health. It has reduced her drudgery of collecting fuelwood.



A happy college student, cooks food and helps his mother after Biogas plant installed at his home.

Surface storage, groundwater recharge, area under irrigation and cropping intensity have been increased due to construction of series of Check Dams.



Mrs. Minakshi Bajaj applauds the students for winning "I CAN" and Disney award.



Training on natural farming, preparation of Jeevamrit, used as microbial culture to improve beneficial micro organisation in soil. (Jeevamrit: Solution made of cow dung, gram flour, jaggery and soil).



Shishir Bajaj interacting with floriculture farmers.

Power-operated pottery-making wheel (Chaak). This reduced the drudgery and increased income of the potters to ₹ 8,000 per month.







## CMD Speaks

Dear Shareholders,

The global sugar industry has been going through a prolonged period of turmoil in terms of falling prices coupled with production surplus for the fifth consecutive year. With a depreciating currency of major sugar producer Brazil by almost 43% from the period April 2014 to March end 2015, there has been a devaluation of sugar prices in dollar terms. Moreover, economic factors like a slide in oil prices by over 50% in the same period seriously affected investments in the commodity markets. Weather continued to be predominantly favourable in major sugar producing nations, hence creating no distortions or interruptions in sugar production. The surplus sugar led to a gradual decline of raw sugar prices globally from 19.5 cents/pound in October 2013 to 11.9 cents/pound in March 2015. The famous sugar cycle of high production–low consumption and high consumption coupled with low production witnessed every two to three years has been notably absent.

Indian sugar production faced no major disruptions resulting in consistent high production levels compared to consumption and burgeoning inventories. On the sugar consumption side, an upward shift is expected in the Indian markets, though it would not boost prices significantly because of a higher production compared to consumption in sugar domestically as well as in global markets.

It is indeed a very serious situation and the fundamentally unsustainable business model of irrational sugarcane pricing with absolutely no relation to the sugar realisations has permanently damaged the industry and its ability to survive. Not to mention the ability to pay the millions of farmers who depend solely on sugar industry for their very survival.

The overall grim situation globally and in the domestic context has triggered an environment of serious financial challenges for the sugar industry. A major impediment for the industry remains the urgent and long pending decontrol of the sugar industry. The proposals of the Rangarajan Committee on the deregulation of the sugar sector in India are pathbreaking and the industry as a whole welcomed them. However, there has been a long wait for the key proposals to be executed, primarily that of linking the sugarcane price as a percentage of the sugar price. The declining trend of sugar prices and consistent increase in the price of sugarcane in the country and specially in Uttar Pradesh have resulted in erosion in operating margins of sugar mills and delay in payment to farmers for sugarcane procured by the sugar manufacturers. As on March 31, 2015, sugarcane arrears were estimated at about ₹ 19,000 crore. A direct effect of the challenging macro environment, high operational costs, rising operating losses led to a stressful financial management. There has been a question of survival for medium and small players in such a scenario with the banks' inability to provide further financial support in the face of a bleak immediate future, which will adversely impact more than sixty million sugarcane farmers who are dependent on the sugar industry for their livelihood.

Your Company has continued the teamwork, it is reflective of with over 8,500 employees bringing in their best in terms of operations and enjoying the continuous initiatives in human resource practices. We have been focussed in sharing our social role as a corporate player with emphasis on education, women empowerment and similar activities that have been widely recognised and appreciated in the corporate social responsibility sector. I must use this opportunity to thank each and every one of you in trusting and supporting us at this challenging time for the sugar industry. It is our steadfast intent as a Company to continuously adopt the best strategies and management practices to see us through our business risks and environment. As always, we hope to emerge into a stronger corporate entity and look forward to our continuous participation in India's nation-building efforts.

Warm regards,

**Kushagra Bajaj**  
**Chairman & Managing Director**

# 5 YEARS PERFORMANCE TRENDS : 2010-2015

₹ Crore

| BALANCE SHEET                  | 31.03.2015       | 31.03.2014       | 30.09.2012*      | 30.09.2011      | 30.09.2010**     |
|--------------------------------|------------------|------------------|------------------|-----------------|------------------|
| <b>EQUITY AND LIABILITIES</b>  |                  |                  |                  |                 |                  |
| <b>Shareholders' funds</b>     |                  |                  |                  |                 |                  |
| Share capital                  | 81.02            | 63.94            | 63.94            | 22.84           | 19.14            |
| Reserves and surplus           | 1,725.75         | 2,495.30         | 4,030.34         | 3,117.07        | 3,117.82         |
| Sub total                      | 1,806.77         | 2,559.24         | 4,094.28         | 3,139.91        | 3,136.96         |
| <b>Non-current liabilities</b> |                  |                  |                  |                 |                  |
| Long-term borrowings           | 7,111.34         | 2,509.57         | 1,500.69         | 2,239.74        | 2,788.60         |
| Other long-term liabilities    | -                | 179.40           | -                | -               | -                |
| Deferred tax liabilities (net) | -                | -                | -                | 87.74           | 83.43            |
| Long-term provisions           | 26.58            | 41.36            | 31.84            | 26.86           | 173.26           |
| Sub total                      | 7,137.92         | 2,730.33         | 1,532.53         | 2,354.34        | 3,045.29         |
| <b>Current liabilities</b>     |                  |                  |                  |                 |                  |
| Short-term borrowings          | 146.21           | 3,076.14         | 3,286.30         | 1,424.33        | 2,328.24         |
| Trade payables                 | 2,789.84         | 2,815.92         | 236.40           | 284.82          | 410.64           |
| Other current liabilities      | 102.04           | 1,245.84         | 1,018.66         | 2,554.99        | 1,692.13         |
| Short-term provision           | 93.79            | 100.94           | 29.13            | 34.74           | 59.19            |
| Sub total                      | 3,131.88         | 7,238.84         | 4,570.49         | 4,298.88        | 4,490.20         |
| <b>Total</b>                   | <b>12,076.57</b> | <b>12,528.41</b> | <b>10,197.30</b> | <b>9,793.13</b> | <b>10,672.45</b> |
| <b>ASSETS</b>                  |                  |                  |                  |                 |                  |
| <b>Non-current assets</b>      |                  |                  |                  |                 |                  |
| Fixed assets                   |                  |                  |                  |                 |                  |
| Tangible assets                | 4,889.82         | 4,986.71         | 5,419.50         | 5,389.12        | 5,478.74         |
| Intangible assets              | -                | 0.13             | 0.35             | 0.52            | 1.17             |
| Capital work-in-progress       | 8.26             | 8.14             | 7.40             | 24.29           | 85.12            |
| Non-current investments        | 2,281.71         | 2,431.05         | 1,600.36         | 1,343.79        | 1,113.34         |
| Long-term loans and advances   | 48.08            | 60.57            | 92.11            | 74.87           | 93.44            |
| Other non-current assets       | 3.66             | 1.40             | 1.68             | 1.32            | -                |
| Sub total                      | 7,231.53         | 7,488.00         | 7,121.40         | 6,833.91        | 6,771.81         |
| <b>Current assets</b>          |                  |                  |                  |                 |                  |
| Current investments            | -                | -                | -                | 0.05            | 0.05             |
| Inventories                    | 2,179.29         | 2,673.50         | 558.24           | 467.82          | 1,921.36         |
| Trade receivables              | 168.99           | 225.48           | 192.02           | 248.20          | 163.10           |
| Cash and bank balances         | 88.07            | 128.24           | 180.30           | 583.77          | 479.20           |
| Short-term loans and advances  | 1,773.83         | 1,491.11         | 1,735.82         | 1,227.26        | 1,013.03         |
| Other current assets           | 634.86           | 522.08           | 409.52           | 432.12          | 323.90           |
| Sub total                      | 4,845.04         | 5,040.41         | 3,075.90         | 2,959.22        | 3,900.64         |
| <b>Total</b>                   | <b>12,076.57</b> | <b>12,528.41</b> | <b>10,197.30</b> | <b>9,793.13</b> | <b>10,672.45</b> |

\* The figures of Financial Year 2011-12 includes the effect of amalgamation of Bajaj Eco-Tec Products Ltd. (as per scheme) w.e.f. 01.04.2012.

\*\* The figures of Financial Year 2009-10 includes the effect of amalgamation of Bajaj Hindusthan Sugar and Industries Ltd. (as per scheme) w.e.f. 01.04.2010.

₹ Crore

| NET INCOME STATEMENT<br>year/period ended                            | 31.03.2015        | 31.03.2014*       | 30.09.2012**    | 30.09.2011      | 30.09.2010***   |
|----------------------------------------------------------------------|-------------------|-------------------|-----------------|-----------------|-----------------|
| <b>INCOME</b>                                                        |                   |                   |                 |                 |                 |
| Revenue from operations                                              | 4,531.46          | 6,644.25          | 4,262.63        | 4,903.80        | 2,928.59        |
| Other income                                                         | 38.66             | 49.81             | 106.15          | 15.35           | 100.39          |
| <b>Total</b>                                                         | <b>4,570.12</b>   | <b>6,694.06</b>   | <b>4,368.78</b> | <b>4,919.15</b> | <b>3,028.98</b> |
| <b>EXPENSES</b>                                                      |                   |                   |                 |                 |                 |
| Purchases and materials consumed                                     | 3,704.54          | 7,815.33          | 3,366.01        | 2,739.38        | 2,765.64        |
| Manufacturing & other expenses                                       | 552.39            | 982.38            | 496.83          | 425.50          | 401.09          |
| Changes in inventories of finished goods and work-in-progress        | 432.75            | (2,075.88)        | (57.97)         | 888.47          | (751.57)        |
| <b>Total</b>                                                         | <b>4,689.68</b>   | <b>6,721.83</b>   | <b>3,804.87</b> | <b>4,053.35</b> | <b>2,415.16</b> |
| <b>Profit/(Loss) before Depreciation, Interest &amp; Tax (PBDIT)</b> | <b>(119.56)</b>   | <b>(27.77)</b>    | <b>563.91</b>   | <b>865.80</b>   | <b>613.82</b>   |
| Finance cost (net)                                                   | 741.55            | 948.57            | 536.41          | 515.95          | 301.34          |
| Depreciation and amortisation expense                                | 239.94            | 531.72            | 348.82          | 330.91          | 257.44          |
|                                                                      | <b>981.49</b>     | <b>1,480.29</b>   | <b>885.23</b>   | <b>846.86</b>   | <b>558.78</b>   |
| <b>Profit/(Loss) before exceptional items and tax</b>                | <b>(1,101.05)</b> | <b>(1,508.06)</b> | <b>(321.32)</b> | <b>18.94</b>    | <b>55.04</b>    |
| Exceptional items                                                    | (3.83)            | -                 | -               | -               | -               |
| <b>Profit/(Loss) before tax (PBT)</b>                                | <b>(1,097.22)</b> | <b>(1,508.06)</b> | <b>(321.32)</b> | <b>18.94</b>    | <b>55.04</b>    |
| Tax expenses                                                         | -                 | 25.06             | (86.75)         | 6.94            | 3.29            |
| <b>Profit/(Loss) after tax (PAT)</b>                                 | <b>(1,097.22)</b> | <b>(1,533.12)</b> | <b>(234.57)</b> | <b>12.00</b>    | <b>51.75</b>    |
| <b>Dividend (%)</b>                                                  | <b>-</b>          | <b>-</b>          | <b>10%</b>      | <b>40%</b>      | <b>70%</b>      |

\* Financial Year 2012-14 comprises a period of 18 months from October 01, 2012 to March 31, 2014.

\*\* The figures of Financial Year 2011-12 includes the effect of amalgamation of Bajaj Eco-Tec Products Ltd. (as per scheme) w.e.f. 01.04.2012.

\*\*\* The figures of Financial Year 2009-10 includes the effect of amalgamation of Bajaj Hindusthan Sugar and Industries Ltd. (as per scheme) w.e.f. 01.04.2010.

# Board of Directors

## **Kushagra Bajaj**

Chairman & Managing Director (Promoter)

## **M. L. Apte**

Non-Executive Director (Independent)

## **R. V. Ruia**

Non-Executive Director (Independent)

## **D. K. Shukla**

Non-Executive Director (Independent)

## **Alok Krishna Agarwal**

Non-Executive Director (Independent)

## **Ashok Kumar Gupta**

Director (Group Operations)

## **Kiran Anuj**

Non-Executive Director (Non Independent)

---

## **Company Secretary**

### **Pradeep Parakh**

Group President (GRC) & Company Secretary

## **Chief Financial Officer**

### **Ved Prakash Agrawal**

Chief Financial Officer

## **Statutory Auditors**

### **Chaturvedi & Shah**

Chartered Accountants

## **Cost Auditors**

### **B.J.D. Nanabhoy & Co.**

Cost Accountants

## **Secretarial Auditor**

### **Anant B Khamankar & Co.**

Company Secretaries

---

## **Bankers**

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

## **Registered Office**

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

## **Registrar & Transfer Agent**

Sharepro Services (India) Private Limited  
13AB Samhita Warehousing Complex,  
2nd Floor, Sakinaka Telephone Exchange Lane,  
Off Andheri-Kurla Road, Sakinaka,  
Andheri (E), Mumbai - 400 072  
Tel.: +91-22-67720400/001/002  
Fax: +91-22-28508927  
E-mail: [sharepro@shareproservices.com](mailto:sharepro@shareproservices.com)



# Contents

|                                                             |     |
|-------------------------------------------------------------|-----|
| Directors' Report                                           | 14  |
| Corporate Governance Report                                 | 45  |
| Shareholder Information                                     | 56  |
| Auditors' Certificate on Corporate Governance               | 66  |
| Management Discussion and Analysis Report                   | 67  |
| CEO/CFO Certification                                       | 81  |
| Independent Auditors' Report                                | 82  |
| Balance Sheet and Statement of Profit and Loss              | 86  |
| Cash Flow Statement                                         | 88  |
| Notes forming part of Financial Statements                  | 89  |
| Auditors' Report on Consolidated Financial Statements       | 111 |
| Consolidated Balance Sheet and Statement of Profit and Loss | 116 |
| Consolidated Cash Flow Statement                            | 118 |
| Notes forming part of the Consolidated Financial Statements | 119 |

# Directors' Report

Your Directors have pleasure in presenting their Eighty Third annual report and the audited financial statements for the year ended March 31, 2015.

## Financial highlights

The results for the Financial Year under review comprises a period of 12 months and therefore are not

comparable with the results of previous period ended March 31, 2014, comprising a period of 18 months.

The summarised financial results of the Company for the year ended March 31, 2015 are presented below:

|                                                              | <b>(₹ Crore)</b>                     |                                           |
|--------------------------------------------------------------|--------------------------------------|-------------------------------------------|
|                                                              | <b>Year ended<br/>March 31, 2015</b> | <b>18 months ended<br/>March 31, 2014</b> |
| Sales and other income                                       | <b>4,570.12</b>                      | 6,694.06                                  |
| Profit/(Loss) before depreciation, interest and tax          | <b>(115.73)</b>                      | (27.77)                                   |
| Depreciation and amortisation                                | <b>239.94</b>                        | 531.72                                    |
| Profit/(Loss) after depreciation but before interest and tax | <b>(355.67)</b>                      | (559.49)                                  |
| Finance costs (Net)                                          | <b>741.55</b>                        | 948.57                                    |
| Profit/(Loss) before tax                                     | <b>(1,097.22)</b>                    | (1,508.06)                                |
| Provision for taxation (Net)                                 | -                                    | 25.06                                     |
| Profit/(Loss) after tax                                      | <b>(1,097.22)</b>                    | (1,533.12)                                |
| Disposable surplus after adjustments                         | <b>(1,097.22)</b>                    | (1,532.76)                                |
| Transfer to reserve for molasses storage tank                | <b>0.28</b>                          | 0.55                                      |
| Carrying value of fixed assets adjusted                      | <b>15.16</b>                         | -                                         |
| Balance carried to balance sheet                             | <b>(2,645.97)</b>                    | (1,533.31)                                |

On a standalone basis, the Company achieved a turnover (including other income) of ₹ 4,570.12 crore for the year ended March 31, 2015 as compared to ₹ 6,694.06 crore in the previous 18 months period ended March 31, 2014. The loss after tax is ₹ 1,097.22 crore as compared to the loss of ₹ 1,533.12 crore in the previous period. On a consolidated basis, the turnover including other income is ₹ 4,574.05 crore as compared to ₹ 6,668.96 crore in the previous period. The loss after tax and minority interest is ₹ 1,192.45 crore as against loss of ₹ 1,624.68 crore in the previous period.

## Dividend

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

## Operations

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

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

### Sugar

During the year ended March 31, 2015 the Company crushed 12.107 MMT of sugarcane. The average recovery of sugar from sugarcane was at 9.38% as

against 9.20% in the previous period. During the year the Company produced 11,37,815 MT sugar and 6,14,634 MT molasses.

During the year the Company sold 12,39,186 MT of sugar and 33,684 MT of molasses as against 16,30,924 MT of sugar and 53,883 MT of molasses during the previous period.

## Distillery

During the year Industrial Alcohol / Ethanol production was 1,25,463 KL as against 2,54,764 KL in the previous period. Alcohol / Ethanol sale during the year was at 1,09,389 KL as against 2,25,678 KL during the previous period.

## 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 7,78,057 MW as against 16,15,638 MW in the previous period. The Company exported 3,29,277 MW of power during the year as against 7,02,371 MW during the previous period.

## Bagasse boards

The Company also owns two Medium Density Fibre (MDF) Board manufacturing plants having capacity of 1,20,000 MT per annum and one Particle Board (PB) manufacturing plant having capacity of 35,000 MT per annum.

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.

## Change in name of the Company

The name of the Company was changed from Bajaj Hindusthan Limited to Bajaj Hindusthan Sugar Limited with effect from January 30, 2015 pursuant to approval received from the Registrar of Companies, Uttar Pradesh and issue of fresh certificate of incorporation upon change of name.

## Debt restructuring

The sugar industry has been adversely affected over

past few years due to prolonged mismatch between high raw material (cane) procurement cost and finished goods (Sugar) realisations, non settlement of subsidy claims etc. There was considerable financial pressure on the Company and, in particular on its cash flows as a result of which the Company was finding it difficult to service the debt obligations. At the request of the Company, Lenders of the Company comprising of 15 banks formed a Joint Lenders' Forum (JLF) in accordance with the Framework for Revitalising Distressed Assets in the Economy dated January 30, 2014 and the Guidelines on Joint Lenders' Forum (JLF) and Corrective Action Plan (CAP) dated February 26, 2014 issued by the Reserve Bank of India (RBI). The JLF approved the corrective action plan and decided to restructure the account independent of the CDR mechanism. A detailed Techno-Economic Viability (TEV) study was conducted and the JLF finalised the Restructuring Scheme which was subject to evaluation by an Independent Evaluation Committee (IEC).

The salient features of the Scheme are as follows:

- Cut-off date (COD) – July 31, 2014.
- Outstanding Term loans to be restructured and to be repaid in 31 structured quarterly instalments after moratorium period of 2 years.
- Outstanding Working capital loans to be converted into Working Capital Term Loan (WCTL) and to be repaid in 31 structured quarterly instalments after moratorium period of 2 years.
- Outstanding Foreign currency loan from IFC, Washington to be funded by the lenders for prepayment and to be repaid in 31 structured quarterly instalments after moratorium period of 2 years.
- Funding for interest on restructured Term Loans and WCTL from August 01, 2014 to July 31, 2016 will be provided by the lenders. 70% of the Funding for interest on restructured loans proposed to be converted into equity shares at a price determined by SEBI guidelines and balance 30% shall be repaid in 19 structured quarterly instalments starting from quarter ending September 30, 2016.
- Promoters contribution of ₹ 200 crore to be funded in a phased manner.
- Pledge of entire promoter's holding of the Company in favour of lenders.
- Personal guarantee/corporate guarantee from promoter/promoter group entity.

A Master Restructuring Agreement (MRA) was executed in this regard on December 30, 2014 between the Company and JLF Lenders.

In terms of the Restructuring Scheme, the restructured facilities have been secured on first pari passu charge

basis on all current assets and all movable and immovable fixed assets of the Company. The said facilities are further secured by personal/corporate guarantee from promoter/promoter group. Out of the committed amount of ₹ 200 crore, an amount of ₹ 175 crore has been brought by the promoters as unsecured loan. FITL aggregating to ₹ 386.10 crore have been converted to equity shares.

The Restructuring gives your Company critical support to tide over the present difficult business environment. The decision of the banks to consider and approve the Restructuring Scheme also reflects the faith these institutions have in the long term business model of the Company.

## Changes in capital structure

During the year 17,08,41,266 fully paid-up equity shares of face value ₹ 1/- each at a premium of ₹ 20.77 per equity share were allotted upon conversion of Funded Interest Term Loan (FITL) aggregating to ₹ 3,71,92,14,361 to JLF Lenders pursuant to the Restructuring Scheme under JLF route.

Consequent to the allotment of the equity shares as aforesaid, the paid-up equity share capital of the Company stands increased from ₹ 63,93,99,911 divided into 63,93,99,911 equity shares of face value ₹ 1/- each to ₹ 81,02,41,177 divided into 81,02,41,177 equity shares of face value ₹ 1/- each, resulting into shareholding of promoters as on March 31, 2015 at 36.40% as compared to 46.13% as on March 31, 2014.

## Listing of securities

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

## Employees stock option

The validity of "Employees Stock Option Plan 2006" expired on July 16, 2014. The information required to be disclosed in terms of the provisions of the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 is enclosed as per "Annexure I" to this report.

## Management Discussion and Analysis

Management Discussion and Analysis Report is presented in a separate section forming part of this Annual Report.

## Subsidiary and Associate Companies

As on March 31, 2015, the Company had the following Subsidiaries and Associates, all of them are presently unlisted:

Subsidiaries:

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

Associates:

1. Bajaj Ebiz Private Limited – (Holding 49.50%).
2. Lalitpur Power Generation Company Limited (LPGCL) – (Holding 20.97%).

## Performance and financial positions of subsidiaries and associates

- a) Bajaj Hindusthan (Singapore) Private Limited: BHSPL through its two subsidiaries in Indonesia, continued to hold coal mines in Indonesia which are in process of being developed.
- b) Bajaj Aviation Private Limited: BAPL continued to provide Air Transport Services through Air Craft – Falcon LX 2000. In addition to this, the Company also leased out its Helicopter - Bell 407 to another Company providing Air – Transportation Services.
- c) Bajaj Power Generation Private Limited: Uttar Pradesh Power Corporation Limited (UPPCL) had granted permission to change the location of the Company's 1980 MW (3 x 660 MW) power project from Bargarh, district Chitrakoot to Mirchwar, district Lalitpur, subject to receipt of approval from Uttar Pradesh Electricity Regulatory Commission. The Company is in the process of obtaining requisite approvals for shifting its project.
- d) Lalitpur Power Generation Company Limited: The project work on 1980 MW (3 x 660 MW) super critical thermal power project at Lalitpur, (Uttar

Pradesh) being implemented through LPGCL has progressed satisfactorily. LPGCL has obtained all the major clearances/approvals including Environment Clearance, Pollution Clearance, Stack Height Clearance, Defense Clearance, Boiler License, Factory License, License for storage of petroleum products, Consent to Operate for Unit 1 (660 MW) etc.

LPGCL has signed MoU with Central Coalfields Limited (CCL) on April 11, 2014 for supply of 3.39 million tonnes per annum (MTPA) of domestic Coal for 2 Units of 660 MW each. This MoU has been extended up to March 31, 2016 and under this MoU, Company has already started receiving coal for start-up of Unit 1. LPGCL has also signed two Fuel supply agreement (FSA) for supply of imported coal with PT. Kresna group, Indonesia and PT. Jangkar Prima, Indonesia for 4 MTPA each. Unit 1 of 660 MW has been synchronised successfully. Construction work of other two units (of 660 MW each) is also in advanced stages of completion.

During the year, cost of the Project was revised to ₹ 17,295 crore (including working capital margin) due to change in existing scope of the project, additional work as mandated by Government which was not envisaged earlier, escalation in IDC and soft cost etc. The Project is being funded by the Consortium of lenders in debt equity ratio of 75:25 i.e. debt of ₹ 12,972 crore, including ECB borrowing for USD 150 Million (i.e. ₹ 929 crore) and Equity of ₹ 4,323 crore. Till date, Lenders have disbursed total term loan amounting to ₹ 10,251.33 crore, consisting of rupee term loan amount to ₹ 9,322.33 crore and ECB loan amounting to US\$ 150 million.

- 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, Accounting

Standards 21, 23 and 27 of Companies (Accounting Standards) Rules, 2006 and pursuant to the listing agreement with the stock exchanges, 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](http://www.bajajhindusthan.com)).

## Directors and Key Managerial Personnel Cessation

Mr. Shishir Bajaj (DIN: 00017612), Chairman & Managing Director and Mr. D.S. Mehta (DIN: 00038366), Independent Director resigned from the Company on October 17, 2014. Mr. Manoj Maheshwari (DIN: 02581704), Director & Group CFO and Dr. Sanjeev Kumar (DIN: 00364416), Executive Director of the Company resigned with effect from March 30, 2015.

The Board placed on record its appreciation for the valuable services rendered by the aforesaid directors.

## Retirement by rotation

Mr. Ashok Kumar Gupta (DIN: 02608184), Director of the Company will retire by rotation and being eligible offers himself for re-appointment. Appointment of Mr. Ashok Kumar Gupta is in compliance with the provisions of Section 164(2) of the Companies Act, 2013.

## Appointment and re-designation

Mr. Kushagra Bajaj (DIN: 00017575), was re-designated as Chairman & Managing Director of the Company with effect from October 18, 2014.

Mrs. Kiran Anuj was appointed as Additional (woman) Director with effect from March 30, 2015 in accordance with Section 149 of the Companies Act, 2013 and Clause 49 of the Listing Agreement. In terms of the provisions of the Companies Act, 2013 and Articles of Association of the Company, Mrs. Kiran Anuj would hold office as Additional Director only up to the date of the 83rd Annual General Meeting of the Company. The Company has received notice from a member pursuant to Section 160 of the Companies Act, 2013, proposing the appointment of Mrs. Kiran Anuj as Director of the Company. The Board of Directors recommends the appointment of Mrs. Kiran Anuj as Director of the Company.



## Appointment of Independent Directors

The shareholders at the Annual General Meeting held on August 12, 2014 appointed Mr. M.L. Apte (DIN: 00003656), Mr. R.V. Ruia (DIN: 00035853) Mr. Alok Krishna Agarwal (DIN: 00127273) and Mr. D.K. Shukla (DIN: 00025409) as Independent Directors as per Section 149 of the Companies Act, 2013 for a term up to March 31, 2019. The Independent Directors have submitted the declaration of Independence pursuant to Section 149(7) of the Companies Act, 2013, stating that they meet the criteria of Independence as provided in sub section (6) of section 149. The profile of the Independent Directors forms part of the Corporate Governance Report.

## Changes in Key Managerial Personnel

Pursuant to the provisions of the Companies Act, 2013 the Company have Chairman & Managing Director, Company Secretary and Chief Financial Officer as Key Managerial Personnel. Details of changes in KMPs during the year are given below:

| Name                                             | Changes in KMP                                                             |
|--------------------------------------------------|----------------------------------------------------------------------------|
| Mr. Shishir Bajaj, Chairman & Managing Director  | Cessation with effect from October 17, 2014                                |
| Mr. Kushagra Bajaj, Chairman & Managing Director | Elevated as Chairman & Managing Director with effect from October 18, 2014 |
| Mr. Anand Kumar Kanodia, Chief Financial Officer | Cessation with effect from October 18, 2014                                |
| Mr. Ved Prakash Agrawal, Chief Financial Officer | Appointment with effect from October 18, 2014                              |

## Board evaluation

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, 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 & 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.

## Directors' responsibility statement

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

- (i) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) the directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of loss of the Company for that period;
- (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

As per Section 139(2) of the Companies Act, 2013, an audit firm shall appoint or re-appoint for two terms of five consecutive years. At the last Annual General Meeting held on August 12, 2014, M/s. Chaturvedi & Shah, Chartered Accountants (Firm Registration No.101720W) were appointed for the remaining one year of their first term as Auditors of the Company. First term of M/s. Chaturvedi & Shah, Chartered Accountants, existing Statutory Auditors will end at the conclusion of the ensuing (83rd) Annual General Meeting.

On recommendation of the Audit Committee, the Board of Directors recommends to the shareholders the re-appointment of M/s. Chaturvedi & Shah as Auditors of the Company for a further period of 5 consecutive years up to the conclusion of the 88th Annual General Meeting. The Statutory Auditors have confirmed their eligibility to the effect that their re-appointment, if made, would be within the prescribed limits under the Act and they are not disqualified for re-appointment.

The Statutory Audit Report does not contain any qualification, adverse remark or disclaimer made by the Statutory Auditor. The reservations made by the Statutory Auditors under para "Emphasis of Matter" alongwith notes no. 36(l)(a)(iv), 40 and 42 are self

explanatory and do not call for any further information and explanation or comments under Section 134(3)(f) of the Companies Act, 2013.

## Cost auditors and their report

Pursuant to the directives of the Central Government under the provisions of Section 148 of Companies Act, 2013, M/s. B.J.D. Nanabhoy & Co., Cost Accountants, Mumbai (Firm Registration No. 000011) were appointed as the Cost Auditors of the Company. The cost auditors have submitted the Cost Audit Reports to the Central Government within the time limit of 180 days from the end of the extended financial year of 18 months ended on March 31, 2014 for the following products:

| Sl. No. | Product            | Report submitted with Central Government | Financial year ended | Date of filing |
|---------|--------------------|------------------------------------------|----------------------|----------------|
| 1       | Sugar              | Cost Audit Report                        | 31.03.2014           | 26.09.2014     |
| 2       | Industrial Alcohol | Cost Audit Report                        | 31.03.2014           | 26.09.2014     |
| 3       | Electricity        | Cost Audit Report                        | 31.03.2014           | 26.09.2014     |

## Secretarial auditors and their report

Pursuant to Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M/s. Anant B Khamankar & Co., Company Secretaries were appointed as Secretarial Auditor of the Company. The Secretarial Audit Report is annexed as **"Annexure II"** 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 III"** and forms part of this report.

## Audit committee

The Company constituted Audit Committee as required under Section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement. 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 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 IV"** and forms part of this report.

## Internal financial control

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

## Extract of Annual Return

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

## Corporate Social Responsibility

As required under Section 135 of the Companies Act, 2013, the Company has constituted a Corporate Social Responsibility (CSR) Committee. As per recommendation of the CSR Committee, the Board 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, 2015, the Company does not have any material listed/unlisted subsidiary companies as defined in Clause 49 of the Listing Agreement. 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](http://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 & 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 Company's website at [www.bajajhindusthan.com/investorcorner-policies.php](http://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 Clause 49 of the Listing agreement. 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](http://www.bajajhindusthan.com/investorcorner-policies.php)

### Risk management policy

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.

### 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](http://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](http://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 off during the current financial year.

Number of Complaints received: Nil

Number of Complaints disposed off: Nil

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

No significant or material order passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

## 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 amounts 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 time stipulated by law on respective due dates in accordance with the provisions of Section 124(5) of the Companies Act, 2013.

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

The relevant particulars regarding the above is given in **"Annexure VIII"** and forms part of this report.

## **Corporate governance**

The Company has vigorously striven to follow the best corporate governance practices aimed at building trust among the key stakeholders, shareholders, employees, customers, suppliers (including farmers) and other stakeholders on four key elements of corporate governance - transparency, fairness, disclosure and accountability. As per Clause 49 of the listing agreement, a separate section on Corporate Governance practices followed by the Company, together with a certificate from the Company's Auditors conforming compliance forms part of this Report.

## **Acknowledgements**

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

For and on behalf of the Board of Directors

**Kushagra Bajaj**  
Chairman & Managing Director  
(DIN: 00017575)

Mumbai,  
July 08, 2015

## ANNEXURE I

**Disclosures in compliance with Clause 12 of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 are set out below:**

|                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| a) Options granted till date                                                                                                                                                                              | 11,00,000                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| b) Pricing formula                                                                                                                                                                                        | Fixed price of ₹ 100/- per share of the face value of ₹ 10/- each. Post sub-division of equity shares by erstwhile Bajaj Hindusthan Sugar and Industries Limited (BHSIL) in August 2006, the fixed price was adjusted at ₹ 100/- per 10 shares of the face value of ₹ 1/- each. Post amalgamation of BHSIL with the Company, the exercise price is adjusted to ₹ 50/- per equity share of the face value of ₹ 1/- each. Entitlement per option is 2 (two) equity shares of face value of ₹ 1/- each |
| c) Options vested                                                                                                                                                                                         | 11,00,000                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| d) Options exercised as at March 31, 2015                                                                                                                                                                 | 2,10,000                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| e) The total number of shares arising as a result of exercise of option during the year                                                                                                                   | Nil                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| f) Options lapsed as at March 31, 2015                                                                                                                                                                    | 8,90,000                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| g) Variation of terms of options                                                                                                                                                                          | None                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| h) Money realised by exercise of options                                                                                                                                                                  | Nil (during the year)                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| i) Total number of options in force as at March 31, 2015*                                                                                                                                                 | Nil                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| j) Employee-wise details of options granted during the year to:                                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| i) senior managerial personnel                                                                                                                                                                            | i) Nil                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| ii) any other employee who received a grant in any one year of options amounting to 5% or more of option granted during that period                                                                       | ii) Nil                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| iii) identified employees who were granted option during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant | iii) Nil                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| k) Diluted Earnings per Share (EPS) pursuant to issue of shares on exercise of option calculated in accordance with Accounting Standard (AS) 20 'Earning per Share'                                       | (₹ 17.14)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| l) i) Method of calculation of the employee compensation cost                                                                                                                                             | i) Intrinsic value method                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| ii) Difference between the employee compensation cost as computed at (i) above and the employee compensation cost that shall have been recognised if it had used the fair value of the options            | ii) Not Applicable (since all the options have already been vested in the year 2007)                                                                                                                                                                                                                                                                                                                                                                                                                |
| iii) The impact of this difference on profits and EPS of the Company                                                                                                                                      | iii) Not Applicable                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| m) Weighted average exercise price and weighted average fair value of options                                                                                                                             | ₹ 100/- and ₹ 322.18 (Post sub-division and amalgamation ₹ 50/- and ₹ 161.09 respectively)                                                                                                                                                                                                                                                                                                                                                                                                          |
| n) Description of the method and significant assumption used during the year to estimate the fair value of options:                                                                                       | ₹ 322.18 is the fair value of the option calculated using Black Scholes option pricing formula. The variables used for the aforesaid calculation are as follows:                                                                                                                                                                                                                                                                                                                                    |
| i) Risk free interest rate                                                                                                                                                                                | i) 7.86%                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| ii) Expected life of options                                                                                                                                                                              | ii) 4.5 years                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| iii) Expected volatility                                                                                                                                                                                  | iii) 119.30%                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| iv) Expected dividend                                                                                                                                                                                     | iv) 0%                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| v) The price of the underlying shares in the market at the time of option grant                                                                                                                           | v) ₹ 350.80                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |

\* The ESOP Scheme has expired on July 16, 2014

For and on behalf of the Board of Directors

**Kushagra Bajaj**  
Chairman & Managing Director  
(DIN: 00017575)

Mumbai,  
July 08, 2015



## ANNEXURE II

### SECRETARIAL AUDIT REPORT

#### FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2015

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

To

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

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 (formerly known as Bajaj Hindusthan 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 Bajaj Hindusthan Sugar Limited'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, 2015 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 Bajaj Hindusthan Sugar Limited for the financial year ended on 31st March, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) 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, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - (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; and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.

**We further report that,** having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically to the Company:

- (i) Sugar Cess Act, 1982
- (ii) Levy Sugar Price Equalisation Fund Act, 1976
- (iii) Food Safety And Standards Act, 2006
- (iv) Essential Commodities Act, 1955
- (v) Sugar Development Fund Act, 1982
- (vi) Export (Quality Control and Inspection) Act, 1963
- (vii) Agricultural and Processed Food Products Export Act, 1986

**We have also examined compliances with the applicable clauses of the following:**

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

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

The Secretarial Standards issued by the Institute of Company Secretaries of India will be mandatory from 1st July, 2015 and were not applicable during the audit period.

**We further report that:**

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

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

Majority decision is carried through 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 Registered Office of the Company stands shifted to Golagokarannath, Lakhimpur-Kheri, district Kheri, Uttar Pradesh – 262 802 with effect from August 06, 2014.

Name of the Company has been changed from Bajaj Hindusthan Limited to Bajaj Hindusthan Sugar Limited with effect from January 30, 2015.

On 30th March, 2015, the Company has allotted 17,08,41,266 (Seventeen Crore Eight Lacs Forty One Thousand Two Hundred and Sixty Six Only) Equity Shares of ₹ 1/- each at a premium of ₹ 20.77 per equity share upon conversion of Funded Interest Term Loan (FITL) to JLF Lenders pursuant to the Restructuring Scheme under JLF Route.

**For Anant B Khamankar & Co.**

**Anant Khamankar**

FCS No. - 3198

CP No. - 1860

Place: Mumbai

Date: July 08, 2015

## ANNEXURE III

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                                              | Esugarindia Clearing Corporation Ltd. – Equity Shares                                                                                                                                                    | 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.                                                                                                                                                                              | 31.32            | Interest @ 12% p.a., unsecured, repayable on demand | For business purposes - To meet operational expenses                                                                                                    |
| 11      | Loans given                                                   | Bajaj Hindusthan (Singapore) Private Ltd.                                                                                                                                                                | 10.90            | Interest @ 0%, unsecured, repayable on demand       | For business purposes - general corporate purposes                                                                                                      |
| 12      | Loans given                                                   | Bajaj Power Generation Private Ltd.                                                                                                                                                                      | 1,162.75         | Interest @ 12% p.a., unsecured, repayable on demand | For business purposes                                                                                                                                   |
| 13      | Loans given                                                   | Ojas Industries Private Ltd.                                                                                                                                                                             | 359.43           | Interest @ 12% p.a., unsecured, repayable on demand | For business purposes - general corporate purpose                                                                                                       |
| 14      | Securities given                                              | Lalitpur Power Generation Company Ltd.                                                                                                                                                                   | 660.99           | Pledge of shares                                    | As collateral security with the trustees of consortium of lenders, facilities obtained by LPGCL                                                         |

For and on behalf of the Board of Directors

**Kushagra Bajaj**  
Chairman & Managing Director  
(DIN: 00017575)

Mumbai,  
July 08, 2015

## ANNEXURE IV

### 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:                                                                                   | NIL  |
| (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:                                    | Lalitpur Power Generation Company Ltd. - Associate                                             |
|    | (b) | Nature of contracts/arrangements/transactions:                                              | Sale of Fixed asset                                                                            |
|    | (c) | Duration of the contracts/arrangements/transactions:                                        | N.A.                                                                                           |
|    | (d) | Salient terms of the contracts or arrangements or transactions including the value, if any: | ₹ 0.01 crore                                                                                   |
|    | (e) | Date(s) of approval by the Board, if any:                                                   | 12.11.2014                                                                                     |
|    | (f) | Amount paid as advances, if any:                                                            | -                                                                                              |
| 2. | (a) | Name(s) of the related party and nature of relationship:                                    | Lalitpur Power Generation Company Ltd. - Associate                                             |
|    | (b) | Nature of contracts/arrangements/transactions:                                              | Investment                                                                                     |
|    | (c) | Duration of the contracts/arrangements/transactions:                                        | N.A.                                                                                           |
|    | (d) | Salient terms of the contracts or arrangements or transactions including the value, if any: | ₹ 4.86 crore                                                                                   |
|    | (e) | Date(s) of approval by the Board, if any:                                                   | 12.03.2014                                                                                     |
|    | (f) | Amount paid as advances, if any:                                                            | -                                                                                              |
| 3. | (a) | Name(s) of the related party and nature of relationship:                                    | Bajaj Energy Pvt. Limited* - Private company in which a director is a director                 |
|    | (b) | Nature of contracts/arrangements/transactions:                                              | Lease rent received                                                                            |
|    | (c) | Duration of the contracts/arrangements/transactions:                                        | Lease of Land & Building for 29 years                                                          |
|    | (d) | Salient terms of the contracts or arrangements or transactions including the value, if any: | ₹ 0.63 crore                                                                                   |
|    | (e) | Date(s) of approval by the Board, if any:                                                   | 11.08.2010                                                                                     |
|    | (f) | Amount paid as advances, if any:                                                            | -                                                                                              |
| 4. | (a) | Name(s) of the related party and nature of relationship:                                    | Bajaj Energy Pvt. Limited* - Private company in which a director is a director                 |
|    | (b) | Nature of contracts/arrangements/transactions:                                              | Lease rent received                                                                            |
|    | (c) | Duration of the contracts/arrangements/transactions:                                        | Lease of Commercial area and residential flats for 3 terms of 11 months each w.e.f. 01.06.2014 |
|    | (d) | Salient terms of the contracts or arrangements or transactions including the value, if any: | ₹ 2.14 crore                                                                                   |
|    | (e) | Date(s) of approval by the Board, if any:                                                   | 28.05.2015                                                                                     |
|    | (f) | Amount paid as advances, if any:                                                            | -                                                                                              |

\*Related party up to 10.10.2014

|    |     |                                                                                             |                                                                                                                                                                  |
|----|-----|---------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 5. | (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, 2014                                                   |
|    | (d) | Salient terms of the contracts or arrangements or transactions including the value, if any: | ₹ 2.02 crore                                                                                                                                                     |
|    | (e) | Date(s) of approval by the Board, if any:                                                   | 14.02.2014                                                                                                                                                       |
|    | (f) | Amount paid as advances, if any:                                                            | -                                                                                                                                                                |
| 6. | (a) | Name(s) of the related party and nature of relationship:                                    | Bajaj Aviation Pvt. Ltd. - Subsidiary                                                                                                                            |
|    | (b) | Nature of contracts/arrangements/transactions:                                              | Lease rent received                                                                                                                                              |
|    | (c) | Duration of the contracts/arrangements/transactions:                                        | Aircraft booking agreement                                                                                                                                       |
|    | (d) | Salient terms of the contracts or arrangements or transactions including the value, if any: | ₹ 7.20 crore                                                                                                                                                     |
|    | (e) | Date(s) of approval by the Board, if any:                                                   | 12.04.2013                                                                                                                                                       |
|    | (f) | Amount paid as advances, if any:                                                            | -                                                                                                                                                                |
| 7. | (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 the contracts/arrangements/transactions:                                        | 01.04.2014 to 31.03.2015                                                                                                                                         |
|    | (d) | Salient terms of the contracts or arrangements or transactions including the value, if any: | ₹ 1.97 crore                                                                                                                                                     |
|    | (e) | Date(s) of approval by the Board, if any:                                                   | 16.05.2014                                                                                                                                                       |
|    | (f) | Amount paid as advances, if any:                                                            | -                                                                                                                                                                |
| 8. | (a) | Name(s) of the related party and nature of relationship:                                    | Mr. Anand Kumar Kanodia – (Key Managerial Personnel up to 17.10.2014)                                                                                            |
|    | (b) | Nature of contracts/arrangements/transactions:                                              | Remuneration                                                                                                                                                     |
|    | (c) | Duration of the contracts/arrangements/transactions:                                        | 01.04.2014 to 17.10.2014                                                                                                                                         |
|    | (d) | Salient terms of the contracts or arrangements or transactions including the value, if any: | ₹ 0.62 crore                                                                                                                                                     |
|    | (e) | Date(s) of approval by the Board, if any:                                                   | 03.09.2013                                                                                                                                                       |
|    | (f) | Amount paid as advances, if any:                                                            | -                                                                                                                                                                |
| 9. | (a) | Name(s) of the related party and nature of relationship:                                    | Mr. Ved Prakash Agrawal – (Key Managerial Personnel w.e.f. 18.10.2014)                                                                                           |
|    | (b) | Nature of contracts/arrangements/transactions:                                              | Remuneration                                                                                                                                                     |
|    | (c) | Duration of the contracts/arrangements/transactions:                                        | 18.10.2014 to 31.03.2015                                                                                                                                         |
|    | (d) | Salient terms of the contracts or arrangements or transactions including the value, if any: | 18.10.2014                                                                                                                                                       |
|    | (e) | Date(s) of approval by the Board, if any:                                                   | ₹ 0.19 crore                                                                                                                                                     |
|    | (f) | Amount paid as advances, if any:                                                            | -                                                                                                                                                                |

For and on behalf of the Board of Directors

**Kushagra Bajaj**  
Chairman & Managing Director  
(DIN: 00017575)

Mumbai,  
July 08, 2015

## ANNEXURE V

### Extract of Annual Return as on the financial year ended on March 31, 2015

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

#### I. REGISTRATION AND OTHER DETAILS:

|   |                                                                           |                                                                                                                                                                                                                                                                                               |
|---|---------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1 | CIN                                                                       | L15420UP1931PLC065243                                                                                                                                                                                                                                                                         |
| 2 | Registration Date                                                         | November 24, 1931                                                                                                                                                                                                                                                                             |
| 3 | Name of the Company                                                       | Bajaj Hindusthan Sugar Limited (Formerly: Bajaj Hindusthan Ltd.)                                                                                                                                                                                                                              |
| 4 | Category/Sub-Category of the Company                                      | Public Company/Limited by shares                                                                                                                                                                                                                                                              |
| 5 | Address of the Registered office and contact details                      | Golagokarannath, Lakhimpur-Kheri, district Kheri, Uttar Pradesh - 262 802<br>Tel. No.: +91-5876-233754/5/7/8, Fax No.: +91-5876-233401                                                                                                                                                        |
| 6 | Whether listed company (Yes/No)                                           | Yes                                                                                                                                                                                                                                                                                           |
| 7 | Name, Address and Contact details of Registrar and Transfer Agent, if any | Sharepro Services (India) Pvt. Ltd.<br>13/AB Samhita Warehousing Complex, Near Sakinaka Tel. Exchange, Andheri Kurla Road, Sakinaka, Andheri (East), Mumbai - 400 072<br>Tel. No.: +91-22-67720300, 67720400<br>Fax No.: +91-22-28591568, 28508927<br>Email id: sharepro@shareproservices.com |

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

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

| Sl. No. | Name and Description of main products / services | NIC Code of the product/service | % to total turnover of the Company |
|---------|--------------------------------------------------|---------------------------------|------------------------------------|
| 1       | Sugar                                            | 1701                            | 80.95%                             |

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

| Sl. No. | Name and address of the company           | CIN/GLN               | Holding/ Subsidiary/Associate                                  | % of shares held | Applicable Section |
|---------|-------------------------------------------|-----------------------|----------------------------------------------------------------|------------------|--------------------|
| 1       | Bajaj Aviation Pvt. Ltd.                  | U65993MH2005PTC154529 | Subsidiary                                                     | 100%             | 2(87)              |
| 2       | Bajaj Hindusthan (Singapore) Pvt. Ltd.    | NA                    | Subsidiary                                                     | 100%             | 2(87)              |
| 3       | Bajaj Power Generation Pvt. Ltd.          | U40102UP2006PTC045331 | Subsidiary                                                     | 100%             | 2(87)              |
| 4       | PT. Batu Bumi Persada, Indonesia          | NA                    | Step down subsidiary of Bajaj Hindusthan (Singapore) Pvt. Ltd. | 99%              | 2(87)              |
| 5       | PT. Jangkar Prima, Indonesia              | NA                    | Step down subsidiary of Bajaj Hindusthan (Singapore) Pvt. Ltd. | 99.88%           | 2(87)              |
| 6       | Lalitpur Power Generation Company Limited | U40108UP2009PLC038148 | Associate                                                      | 20.97%           | 2(6)               |
| 7       | Bajaj Ebiz Private Limited                | U72100DL2000PTC273539 | Associate                                                      | 49.50%           | 2(6)               |



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

##### (i) Category-wise Shareholding

| Category of Shareholders                                      | No. of Shares held at the beginning of the year<br>(As on 01-04-2014) |              |                     |                   | No. of Shares held at the end of the year<br>(As on 31-03-2015) |                     |                     |                   | % change during the year |
|---------------------------------------------------------------|-----------------------------------------------------------------------|--------------|---------------------|-------------------|-----------------------------------------------------------------|---------------------|---------------------|-------------------|--------------------------|
|                                                               | Demat                                                                 | Physical     | Total               | % of Total Shares | Demat                                                           | Physical            | Total               | % of Total Shares |                          |
| <b>A. Promoters</b>                                           |                                                                       |              |                     |                   |                                                                 |                     |                     |                   |                          |
| <b>(1) Indian</b>                                             |                                                                       |              |                     |                   |                                                                 |                     |                     |                   |                          |
| a) Individual / HUF                                           | 2,96,54,338                                                           | 0            | 2,96,54,338         | 4.64              | <b>2,96,54,338</b>                                              | <b>0</b>            | <b>2,96,54,338</b>  | <b>3.66</b>       | <b>(0.98)</b>            |
| b) Central Govt.                                              | 0                                                                     | 0            | 0                   | -                 | <b>0</b>                                                        | <b>0</b>            | <b>0</b>            | -                 | -                        |
| c) State Govt.(s)                                             | 0                                                                     | 0            | 0                   | -                 | <b>0</b>                                                        | <b>0</b>            | <b>0</b>            | -                 | -                        |
| d) Bodies Corp.                                               | 19,13,43,955                                                          | 0            | 19,13,43,955        | 29.93             | <b>19,13,43,955</b>                                             | <b>0</b>            | <b>19,13,43,955</b> | <b>23.62</b>      | <b>(6.31)</b>            |
| e) Banks / FI                                                 | 0                                                                     | 0            | 0                   | -                 | <b>0</b>                                                        | <b>0</b>            | <b>0</b>            | -                 | -                        |
| f) Any Other (Trusts)                                         | 7,39,32,473                                                           | 0            | 7,39,32,473         | 11.56             | <b>7,39,32,473</b>                                              | <b>0</b>            | <b>7,39,32,473</b>  | <b>9.12</b>       | <b>(2.44)</b>            |
| <b>Sub-total (A)(1):-</b>                                     | <b>29,49,30,766</b>                                                   | <b>0</b>     | <b>29,49,30,766</b> | <b>46.13</b>      | <b>29,49,30,766</b>                                             | <b>0</b>            | <b>29,49,30,766</b> | <b>36.40</b>      | <b>(9.73)</b>            |
| <b>(2) Foreign</b>                                            |                                                                       |              |                     |                   |                                                                 |                     |                     |                   |                          |
| a) NRIs - Individuals                                         | 0                                                                     | 0            | 0                   | -                 | <b>0</b>                                                        | <b>0</b>            | <b>0</b>            | -                 | -                        |
| b) Other – Individuals                                        | 0                                                                     | 0            | 0                   | -                 | <b>0</b>                                                        | <b>0</b>            | <b>0</b>            | -                 | -                        |
| c) Bodies Corp.                                               | 0                                                                     | 0            | 0                   | -                 | <b>0</b>                                                        | <b>0</b>            | <b>0</b>            | -                 | -                        |
| d) Banks / FI                                                 | 0                                                                     | 0            | 0                   | -                 | <b>0</b>                                                        | <b>0</b>            | <b>0</b>            | -                 | -                        |
| <b>Sub-total (A)(2):-</b>                                     | <b>0</b>                                                              | <b>0</b>     | <b>0</b>            | <b>-</b>          | <b>0</b>                                                        | <b>0</b>            | <b>0</b>            | <b>-</b>          | <b>-</b>                 |
| <b>Total shareholding of Promoter<br/>(A) = (A)(1)+(A)(2)</b> | <b>29,49,30,766</b>                                                   | <b>0</b>     | <b>29,49,30,766</b> | <b>46.13</b>      | <b>29,49,30,766</b>                                             | <b>0</b>            | <b>29,49,30,766</b> | <b>36.40</b>      | <b>(9.73)</b>            |
| <b>B. Public Shareholding</b>                                 |                                                                       |              |                     |                   |                                                                 |                     |                     |                   |                          |
| <b>(1) Institutions</b>                                       |                                                                       |              |                     |                   |                                                                 |                     |                     |                   |                          |
| a) Mutual Funds                                               | 7,843                                                                 | 2,900        | 10,743              | 0.00              | <b>6,723</b>                                                    | <b>2,900</b>        | <b>9,623</b>        | <b>0.00</b>       | <b>0.00</b>              |
| b) Banks / FI                                                 | 4,79,27,268                                                           | 700          | 4,79,27,968         | 7.50              | <b>4,80,01,505</b>                                              | <b>17,08,41,966</b> | <b>21,88,43,471</b> | <b>27.01</b>      | <b>19.51</b>             |
| c) Central Govt                                               | 0                                                                     | 0            | 0                   | -                 | <b>0</b>                                                        | <b>0</b>            | <b>0</b>            | -                 | -                        |
| d) State Govt(s).                                             | 4,500                                                                 | 0            | 4,500               | 0.00              | <b>4,500</b>                                                    | <b>0</b>            | <b>4,500</b>        | <b>0.00</b>       | <b>(0.00)</b>            |
| e) Venture Capital Funds                                      | 0                                                                     | 0            | 0                   | -                 | <b>0</b>                                                        | <b>0</b>            | <b>0</b>            | -                 | -                        |
| f) Insurance Companies                                        | 4,34,70,216                                                           | 0            | 4,34,70,216         | 6.80              | <b>4,31,65,896</b>                                              | <b>0</b>            | <b>4,31,65,896</b>  | <b>5.33</b>       | <b>(1.47)</b>            |
| g) FIs                                                        | 2,03,93,254                                                           | 500          | 2,03,93,754         | 3.19              | <b>1,65,75,751</b>                                              | <b>500</b>          | <b>1,65,76,251</b>  | <b>2.05</b>       | <b>(1.14)</b>            |
| h) Foreign Venture Capital Funds                              | 0                                                                     | 0            | 0                   | -                 | <b>0</b>                                                        | <b>0</b>            | <b>0</b>            | -                 | -                        |
| i) Others (specify)                                           | 0                                                                     | 0            | 0                   | -                 | <b>0</b>                                                        | <b>0</b>            | <b>0</b>            | -                 | -                        |
| <b>Sub-total (B)(1):-</b>                                     | <b>11,18,03,081</b>                                                   | <b>4,100</b> | <b>11,18,07,181</b> | <b>17.49</b>      | <b>10,77,54,375</b>                                             | <b>17,08,45,366</b> | <b>27,85,99,741</b> | <b>34.38</b>      | <b>16.89</b>             |

| Category of Shareholders                                                        | No. of Shares held at the beginning of the year<br>(As on 01-04-2014) |                  |                     |                   | No. of Shares held at the end of the year<br>(As on 31-03-2015) |                     |                     |                   | % change during the year |
|---------------------------------------------------------------------------------|-----------------------------------------------------------------------|------------------|---------------------|-------------------|-----------------------------------------------------------------|---------------------|---------------------|-------------------|--------------------------|
|                                                                                 | Demat                                                                 | Physical         | Total               | % of Total Shares | Demat                                                           | Physical            | Total               | % of Total Shares |                          |
| <b>(2) Non-Institutions</b>                                                     |                                                                       |                  |                     |                   |                                                                 |                     |                     |                   |                          |
| a) Bodies Corp.                                                                 |                                                                       |                  |                     |                   |                                                                 |                     |                     |                   |                          |
| i) Indian                                                                       | 5,04,27,259                                                           | 17,997           | 5,04,45,25,634      | 7.89              | <b>4,53,25,377</b>                                              | <b>17,497</b>       | <b>4,53,42,874</b>  | <b>5.60</b>       | <b>(2.29)</b>            |
| ii) Overseas                                                                    | 34,75,136                                                             | 0                | 75,136              | 0.54              | <b>34,14,114</b>                                                | <b>0</b>            | <b>34,14,114</b>    | <b>0.42</b>       | <b>(0.12)</b>            |
| b) Individuals                                                                  |                                                                       |                  |                     |                   |                                                                 |                     |                     |                   |                          |
| i) Individual shareholders holding nominal share capital up to ₹ 1 lakh         | 12,05,32,437                                                          | 7,83,412         | 12,13,15,849        | 18.97             | <b>12,55,06,493</b>                                             | <b>7,29,630</b>     | <b>12,62,36,123</b> | <b>15.58</b>      | <b>(3.39)</b>            |
| ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh | 2,30,15,173                                                           | 0                | 2,30,15,173         | 3.60              | <b>2,62,34,909</b>                                              | <b>0</b>            | <b>2,62,34,909</b>  | <b>3.24</b>       | <b>(0.36)</b>            |
| c) Others (specify)                                                             | 3,35,10,350                                                           | 5,00,200         | 3,40,10,550         | 5.32              | <b>3,45,82,650</b>                                              | <b>5,00,000</b>     | <b>3,50,82,650</b>  | <b>4.33</b>       | <b>(0.99)</b>            |
| <b>Sub-total (B)(2):-</b>                                                       | <b>23,09,60,355</b>                                                   | <b>13,01,609</b> | <b>23,22,61,964</b> | <b>36.32</b>      | <b>23,50,63,543</b>                                             | <b>12,47,127</b>    | <b>23,63,10,670</b> | <b>29.17</b>      | <b>(7.15)</b>            |
| <b>Total Public Shareholding (B) = (B)(1)+(B)(2)</b>                            | <b>34,27,63,436</b>                                                   | <b>13,05,709</b> | <b>34,40,69,145</b> | <b>53.81</b>      | <b>34,28,17,918</b>                                             | <b>17,20,92,493</b> | <b>51,49,10,411</b> | <b>63.55</b>      | <b>9.74</b>              |
| <b>C. Shares held by Custodian for GDRs &amp; ADRs</b>                          | <b>4,00,000</b>                                                       | <b>0</b>         | <b>4,00,000</b>     | <b>0.06</b>       | <b>4,00,000</b>                                                 | <b>0</b>            | <b>4,00,000</b>     | <b>0.05</b>       | <b>(0.01)</b>            |
| <b>Grand Total (A+B+C)</b>                                                      | <b>63,80,94,202</b>                                                   | <b>13,05,709</b> | <b>63,93,99,911</b> | <b>100.00</b>     | <b>63,81,48,684</b>                                             | <b>17,20,92,493</b> | <b>81,02,41,177</b> | <b>100.00</b>     | <b>19.48</b>             |

Note:

There is no change in the number of shares held by the promoters. However, the percentage of the shareholding has changed during the year due to allotments of shares on 30.03.2015

## (ii) Shareholding of Promoters

| Sl. No. | Shareholder's Name                                                                    | Shareholding at the beginning of the year<br>(As on 01-04-2014) |                                  |                                                | Shareholding at the end of the year<br>(As on 31-03-2015) |                                  |                                                |                                          |
|---------|---------------------------------------------------------------------------------------|-----------------------------------------------------------------|----------------------------------|------------------------------------------------|-----------------------------------------------------------|----------------------------------|------------------------------------------------|------------------------------------------|
|         |                                                                                       | No. of Shares                                                   | % of total Shares of the company | % of Shares pledged/encumbered to total shares | No. of Shares                                             | % of total Shares of the company | % of Shares pledged/encumbered to total shares | % change in shareholding during the year |
| 1       | Shishir Kumar Bajaj                                                                   | 83,96,341                                                       | 1.31                             | 0.00                                           | <b>83,96,341</b>                                          | <b>1.04</b>                      | <b>1.04</b>                                    | <b>(0.27)</b>                            |
| 2       | Kushagra Bajaj                                                                        | 1,28,97,036                                                     | 2.02                             | 0.00                                           | <b>1,28,97,036</b>                                        | <b>1.59</b>                      | <b>1.59</b>                                    | <b>(0.43)</b>                            |
| 3       | Minakshi Bajaj                                                                        | 42,54,556                                                       | 0.67                             | 0.00                                           | <b>42,54,556</b>                                          | <b>0.53</b>                      | <b>0.53</b>                                    | <b>(0.14)</b>                            |
| 4       | Apoorva Bajaj                                                                         | 2,31,751                                                        | 0.04                             | 0.00                                           | <b>2,31,751</b>                                           | <b>0.03</b>                      | <b>0.03</b>                                    | <b>(0.01)</b>                            |
| 5       | Shishir Bajaj (as karta of Shishir Bajaj HUF)                                         | 38,74,654                                                       | 0.61                             | 0.00                                           | <b>38,74,654</b>                                          | <b>0.48</b>                      | <b>0.48</b>                                    | <b>(0.13)</b>                            |
| 6       | Shishir Bajaj, Minakshi Bajaj and Kushagra Bajaj (as trustees of Kushagra Trust No.2) | 60,623                                                          | 0.01                             | 0.00                                           | <b>60,623</b>                                             | <b>0.01</b>                      | <b>0.01</b>                                    | <b>(0.00)</b>                            |

| Sl. No. | Shareholder's Name                                                                                                                | Shareholding at the beginning of the year<br>(As on 01-04-2014) |                                  |                                                | Shareholding at the end of the year<br>(As on 31-03-2015) |                                  |                                                |                                          |
|---------|-----------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------|----------------------------------|------------------------------------------------|-----------------------------------------------------------|----------------------------------|------------------------------------------------|------------------------------------------|
|         |                                                                                                                                   | No. of Shares                                                   | % of total Shares of the company | % of Shares pledged/encumbered to total shares | No. of Shares                                             | % of total Shares of the company | % of Shares pledged/encumbered to total shares | % change in shareholding during the year |
| 7       | Shishir Bajaj, Minakshi Bajaj and Kushagra Bajaj (as trustees of Shishir Bajaj Family Trust)                                      | 6,49,48,632                                                     | 10.16                            | 0.00                                           | <b>6,49,48,632</b>                                        | <b>8.02</b>                      | <b>8.02</b>                                    | <b>(2.14)</b>                            |
| 8       | Shishirkumar Bajaj & Kushagra Bajaj (as trustees of Bajaj Hindusthan Limited Employees General Medical Aid Fund)                  | 20,78,120                                                       | 0.33                             | 0                                              | <b>20,78,120</b>                                          | <b>0.26</b>                      | <b>0.26</b>                                    | <b>(0.07)</b>                            |
| 9       | Shishirkumar Bajaj & Kushagra Bajaj (as trustees of Bajaj Hindusthan Limited Employees Family Planning Welfare Fund)              | 17,53,100                                                       | 0.27                             | 0                                              | <b>17,53,100</b>                                          | <b>0.22</b>                      | <b>0.22</b>                                    | <b>(0.05)</b>                            |
| 10      | Shishirkumar Bajaj & Kushagra Bajaj (as trustees of Bajaj Hindusthan Limited Employees Sports & Cultural Activities Welfare Fund) | 17,43,600                                                       | 0.27                             | 0                                              | <b>17,43,600</b>                                          | <b>0.22</b>                      | <b>0.22</b>                                    | <b>(0.05)</b>                            |
| 11      | Shishirkumar Bajaj & Kushagra Bajaj (as trustees of Bajaj Hindusthan Limited Managerial Staff Medical Aid Fund)                   | 17,39,100                                                       | 0.27                             | 0                                              | <b>17,39,100</b>                                          | <b>0.21</b>                      | <b>0.21</b>                                    | <b>(0.06)</b>                            |
| 12      | Shishirkumar Bajaj & Kushagra Bajaj (as trustees of Bajaj Hindusthan Limited Employees Education Welfare Fund)                    | 16,09,298                                                       | 0.25                             | 0                                              | <b>16,09,298</b>                                          | <b>0.20</b>                      | <b>0.20</b>                                    | <b>(0.05)</b>                            |
| 13      | Bajaj Capital Ventures Private Limited                                                                                            | 22,47,142                                                       | 0.35                             | 0                                              | <b>2,24,71,42</b>                                         | <b>0.28</b>                      | <b>0.28</b>                                    | <b>(0.07)</b>                            |
| 14      | Bajaj Resources Limited                                                                                                           | 8,19,44,455                                                     | 12.82                            | 0                                              | <b>8,19,44,455</b>                                        | <b>10.11</b>                     | <b>10.11</b>                                   | <b>(2.71)</b>                            |
| 15      | A.N. Bajaj Enterprises Private Limited                                                                                            | 1,83,07,954                                                     | 2.86                             | 0                                              | <b>1,83,07,954</b>                                        | <b>2.26</b>                      | <b>2.26</b>                                    | <b>(0.60)</b>                            |
| 16      | KNB Enterprises LLP                                                                                                               | 110                                                             | 0.00                             | 0                                              | <b>110</b>                                                | <b>0.00</b>                      | <b>0.00</b>                                    | <b>(0.00)</b>                            |
| 17      | SKB Roop Commercial LLP                                                                                                           | 110                                                             | 0.00                             | 0                                              | <b>110</b>                                                | <b>0.00</b>                      | <b>0.00</b>                                    | <b>(0.00)</b>                            |
| 18      | Global World Power Projects Private Limited                                                                                       | 4,11,11,121                                                     | 6.43                             | 0                                              | <b>4,11,11,121</b>                                        | <b>5.07</b>                      | <b>5.07</b>                                    | <b>(1.36)</b>                            |
| 19      | Bajaj International Realty Private Limited                                                                                        | 2,77,77,484                                                     | 4.34                             | 0                                              | <b>2,77,77,484</b>                                        | <b>3.43</b>                      | <b>3.43</b>                                    | <b>(0.91)</b>                            |
| 20      | Bajaj Infrastructure Development Company Limited                                                                                  | 1,99,55,469                                                     | 3.12                             | 0                                              | <b>1,99,55,469</b>                                        | <b>2.46</b>                      | <b>2.46</b>                                    | <b>(0.66)</b>                            |
| 21      | Bajaj Power Ventures Private Limited                                                                                              | 110                                                             | 0.00                             | 0                                              | <b>110</b>                                                | <b>0.00</b>                      | <b>0.00</b>                                    | <b>(0.00)</b>                            |
|         | <b>Total</b>                                                                                                                      | <b>29,49,30,766</b>                                             | <b>46.13</b>                     | <b>0</b>                                       | <b>29,49,30,766</b>                                       | <b>36.40</b>                     | <b>36.40</b>                                   | <b>(9.73)</b>                            |

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

There is no change in the no. of shares held by the Promoter Group.

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

| Sr. No. | Name                                | Shareholding                                                                     |                                           | Date       | Increase/<br>Decrease in<br>shareholding | Reason                       | Cumulative Shareholding<br>during the year (01-04-14 to<br>31-03-15) |                                        |
|---------|-------------------------------------|----------------------------------------------------------------------------------|-------------------------------------------|------------|------------------------------------------|------------------------------|----------------------------------------------------------------------|----------------------------------------|
|         |                                     | No. of shares at<br>the beginning<br>(01-04-14)/end<br>of the year<br>(31-03-15) | % of total<br>shares<br>of the<br>Company |            |                                          |                              | No. of<br>Shares                                                     | % of total<br>shares of the<br>Company |
| 1       | Life Insurance Corporation of India | 4,10,26,922                                                                      | 6.42                                      | 01-04-2014 | 0                                        | Nil movement during the year |                                                                      |                                        |
|         |                                     | 4,10,26,922                                                                      | 5.06                                      | 31-03-2015 |                                          |                              | 4,10,26,922                                                          | 5.06                                   |
| 2       | Jayakumar Narayansawami             | 3,11,00,000                                                                      | 4.86                                      | 01-04-2014 | 0                                        | Nil movement during the year |                                                                      |                                        |
|         |                                     | 3,11,00,000                                                                      | 3.84                                      | 31-03-2015 |                                          |                              | 3,11,00,000                                                          | 3.84                                   |
| 3       | IDBI Bank Ltd.                      | 1,89,93,081                                                                      | 2.97                                      | 01-04-2014 | 0                                        | Nil movement during the year |                                                                      |                                        |
|         |                                     | 1,89,93,081                                                                      | 2.34                                      |            |                                          |                              | 1,89,93,081                                                          | 2.34                                   |
| 4       | Bajaj Holdings and Investment Ltd.  | 1,30,68,511                                                                      | 2.04                                      | 01-04-2014 | 0                                        | Nil movement during the year |                                                                      |                                        |
|         |                                     | 1,30,68,511                                                                      | 1.61                                      |            |                                          |                              | 1,30,68,511                                                          | 1.61                                   |
| 5       | Indian Overseas Bank                | 98,28,834                                                                        | 1.54                                      | 01-04-2014 | 0                                        | Nil movement during the year |                                                                      |                                        |
|         |                                     | 98,28,834                                                                        | 1.21                                      |            |                                          |                              | 98,28,834                                                            | 1.21                                   |
| 6       | Canara Bank                         | 97,00,000                                                                        | 1.52                                      | 01-04-2014 |                                          |                              |                                                                      |                                        |
|         |                                     |                                                                                  |                                           | 25-04-2014 | 30,000                                   | Acquisition                  | 97,30,000                                                            | 1.52                                   |
|         |                                     |                                                                                  |                                           | 09-05-2014 | 20,000                                   | Acquisition                  | 97,50,000                                                            | 1.52                                   |
|         |                                     |                                                                                  |                                           | 23-05-2014 | 10,000                                   | Acquisition                  | 97,60,000                                                            | 1.53                                   |
|         |                                     |                                                                                  |                                           | 22-08-2014 | 10,000                                   | Acquisition                  | 97,70,000                                                            | 1.53                                   |
|         |                                     |                                                                                  |                                           | 28-11-2014 | 10,000                                   | Acquisition                  | 97,80,000                                                            | 1.53                                   |
|         |                                     |                                                                                  |                                           | 12-12-2014 | -5,000                                   | Sale                         | 97,75,000                                                            | 1.53                                   |
|         |                                     | 97,75,000                                                                        | 1.21                                      | 31-03-2015 |                                          |                              | 97,75,000                                                            | 1.21                                   |
| 7       | Central Bank of India               | 73,84,012                                                                        | 1.15                                      | 01-04-2014 | 0                                        | Nil movement during the year |                                                                      |                                        |
|         |                                     | 73,84,012                                                                        | 0.91                                      |            |                                          |                              | 73,84,012                                                            | 0.91                                   |
| 8       | Yusuf Kasam                         | 66,40,310                                                                        | 1.04                                      | 01-04-2014 |                                          |                              |                                                                      |                                        |
|         |                                     |                                                                                  |                                           | 04-04-2014 | -95,000                                  | Sale                         | 65,45,310                                                            | 1.02                                   |
|         |                                     |                                                                                  |                                           | 11-04-2014 | -73,633                                  | Sale                         | 64,71,677                                                            | 1.01                                   |
|         |                                     |                                                                                  |                                           | 18-04-2014 | -7,11,088                                | Sale                         | 57,60,589                                                            | 0.90                                   |
|         |                                     |                                                                                  |                                           | 25-04-2014 | -8,54,887                                | Sale                         | 49,05,702                                                            | 0.77                                   |
|         |                                     |                                                                                  |                                           | 16-05-2014 | 85,000                                   | Acquisition                  | 49,90,702                                                            | 0.78                                   |
|         |                                     |                                                                                  |                                           | 23-05-2014 | -1,85,000                                | Sale                         | 48,05,702                                                            | 0.75                                   |
|         |                                     |                                                                                  |                                           | 30-05-2014 | -11,58,265                               | Sale                         | 36,47,437                                                            | 0.57                                   |
|         |                                     |                                                                                  |                                           | 06-06-2014 | -2,75,016                                | Sale                         | 33,72,421                                                            | 0.53                                   |
|         |                                     |                                                                                  |                                           | 13-06-2014 | 1,76,500                                 | Acquisition                  | 35,48,921                                                            | 0.56                                   |
|         |                                     |                                                                                  |                                           | 20-06-2014 | 1,76,000                                 | Acquisition                  | 37,24,921                                                            | 0.58                                   |
|         |                                     |                                                                                  |                                           | 30-06-2014 | 6,40,522                                 | Acquisition                  | 43,65,443                                                            | 0.68                                   |
|         |                                     |                                                                                  |                                           | 11-07-2014 | 15,852                                   | Acquisition                  | 43,81,295                                                            | 0.69                                   |
|         |                                     |                                                                                  |                                           | 18-07-2014 | 1,100                                    | Acquisition                  | 43,82,395                                                            | 0.69                                   |
|         |                                     |                                                                                  |                                           | 25-07-2014 | 3,900                                    | Acquisition                  | 43,86,295                                                            | 0.69                                   |
|         |                                     |                                                                                  |                                           | 01-08-2014 | -25,965                                  | Sale                         | 43,60,330                                                            | 0.68                                   |
|         |                                     |                                                                                  |                                           | 08-08-2014 | -10,000                                  | Sale                         | 43,70,330                                                            | 0.68                                   |
|         |                                     |                                                                                  |                                           | 15-08-2014 | 30,000                                   | Acquisition                  | 44,00,330                                                            | 0.69                                   |
|         |                                     |                                                                                  |                                           | 22-08-2014 | 70,000                                   | Acquisition                  | 44,70,330                                                            | 0.70                                   |

| Sr. No | Name              | Shareholding                                                                     |                                           | Date       | Increase/<br>Decrease in<br>shareholding | Reason      | Cumulative Shareholding<br>during the year (01-04-14 to<br>31-03-15) |                                        |
|--------|-------------------|----------------------------------------------------------------------------------|-------------------------------------------|------------|------------------------------------------|-------------|----------------------------------------------------------------------|----------------------------------------|
|        |                   | No. of shares at<br>the beginning<br>(01-04-14)/end<br>of the year<br>(31-03-15) | % of total<br>shares<br>of the<br>Company |            |                                          |             | No. of<br>Shares                                                     | % of total<br>shares of the<br>Company |
|        |                   |                                                                                  |                                           | 29-08-2014 | -1,00,000                                | Sale        | 43,70,330                                                            | 0.68                                   |
|        |                   |                                                                                  |                                           | 24-10-2014 | 30,000                                   | Acquisition | 44,00,330                                                            | 0.69                                   |
|        |                   |                                                                                  |                                           | 21-11-2014 | -30,000                                  | Sale        | 43,70,330                                                            | 0.68                                   |
|        |                   |                                                                                  |                                           | 12-12-2014 | -50,000                                  | Sale        | 43,20,330                                                            | 0.68                                   |
|        |                   |                                                                                  |                                           | 19-12-2014 | 20,000                                   | Acquisition | 43,40,330                                                            | 0.68                                   |
|        |                   |                                                                                  |                                           | 23-01-2015 | 3,25,152                                 | Acquisition | 46,65,482                                                            | 0.73                                   |
|        |                   |                                                                                  |                                           | 30-01-2015 | -2,84,152                                | Sale        | 43,81,330                                                            | 0.69                                   |
|        |                   |                                                                                  |                                           | 27-02-2015 | -61,000                                  | Sale        | 43,20,330                                                            | 0.68                                   |
|        |                   |                                                                                  |                                           | 13-03-2015 | 5,000                                    | Acquisition | 43,25,330                                                            | 0.68                                   |
|        |                   | 43,25,330                                                                        | 0.53                                      | 31-03-2015 |                                          |             | 43,25,330                                                            | 0.53                                   |
| 9      | MV SCIF Mauritius | 48,90,664                                                                        | 0.76                                      | 01-04-2014 |                                          |             |                                                                      |                                        |
|        |                   |                                                                                  |                                           | 04-04-2014 | 1,09,464                                 | Acquisition | 50,00,128                                                            | 0.78                                   |
|        |                   |                                                                                  |                                           | 11-04-2014 | 3,83,047                                 | Acquisition | 53,83,175                                                            | 0.84                                   |
|        |                   |                                                                                  |                                           | 02-05-2014 | 1,09,394                                 | Acquisition | 54,92,569                                                            | 0.86                                   |
|        |                   |                                                                                  |                                           | 09-05-2014 | 3,82,847                                 | Acquisition | 58,75,416                                                            | 0.92                                   |
|        |                   |                                                                                  |                                           | 16-05-2014 | 9,30,355                                 | Acquisition | 68,05,771                                                            | 1.06                                   |
|        |                   |                                                                                  |                                           | 23-05-2014 | 1,09,422                                 | Acquisition | 69,15,193                                                            | 1.08                                   |
|        |                   |                                                                                  |                                           | 30-05-2014 | 3,83,530                                 | Acquisition | 72,98,723                                                            | 1.14                                   |
|        |                   |                                                                                  |                                           | 06-06-2014 | 3,81,829                                 | Acquisition | 76,80,552                                                            | 1.20                                   |
|        |                   |                                                                                  |                                           | 13-06-2014 | 14,18,016                                | Acquisition | 90,98,568                                                            | 1.42                                   |
|        |                   |                                                                                  |                                           | 20-06-2014 | -1,08,706                                | Sale        | 89,89,862                                                            | 1.41                                   |
|        |                   |                                                                                  |                                           | 30-06-2014 | -25,20,615                               | Sale        | 64,79,247                                                            | 1.01                                   |
|        |                   |                                                                                  |                                           | 04-07-2014 | 2,41,896                                 | Acquisition | 67,21,143                                                            | 1.05                                   |
|        |                   |                                                                                  |                                           | 11-07-2014 | -40,319                                  | Sale        | 66,80,824                                                            | 1.04                                   |
|        |                   |                                                                                  |                                           | 18-07-2014 | -2,01,710                                | Sale        | 64,79,114                                                            | 1.01                                   |
|        |                   |                                                                                  |                                           | 25-07-2014 | 2,01,580                                 | Acquisition | 66,80,694                                                            | 1.04                                   |
|        |                   |                                                                                  |                                           | 08-08-2014 | -1,61,464                                | Sale        | 65,19,230                                                            | 1.02                                   |
|        |                   |                                                                                  |                                           | 15-08-2014 | -2,42,218                                | Sale        | 62,77,012                                                            | 0.98                                   |
|        |                   |                                                                                  |                                           | 22-08-2014 | -2,82,676                                | Sale        | 59,94,336                                                            | 0.94                                   |
|        |                   |                                                                                  |                                           | 30-09-2014 | -3,86,241                                | Sale        | 56,08,095                                                            | 0.88                                   |
|        |                   |                                                                                  |                                           | 10-10-2014 | -3,69,489                                | Sale        | 52,38,606                                                            | 0.82                                   |
|        |                   |                                                                                  |                                           | 17-10-2014 | -1,64,204                                | Sale        | 50,74,402                                                            | 0.79                                   |
|        |                   |                                                                                  |                                           | 24-10-2014 | -2,46,708                                | Sale        | 48,27,694                                                            | 0.76                                   |
|        |                   |                                                                                  |                                           | 31-10-2014 | -13,787                                  | Sale        | 48,13,907                                                            | 0.75                                   |
|        |                   |                                                                                  |                                           | 14-11-2014 | 28,048                                   | Acquisition | 48,41,955                                                            | 0.76                                   |
|        |                   |                                                                                  |                                           | 21-11-2014 | -14,819                                  | Sale        | 48,27,136                                                            | 0.75                                   |
|        |                   |                                                                                  |                                           | 05-12-2014 | 84,712                                   | Acquisition | 49,11,848                                                            | 0.77                                   |
|        |                   |                                                                                  |                                           | 12-12-2014 | 40,743                                   | Acquisition | 49,52,591                                                            | 0.77                                   |
|        |                   |                                                                                  |                                           | 19-12-2014 | -1,21,587                                | Sale        | 48,31,004                                                            | 0.76                                   |
|        |                   |                                                                                  |                                           | 30-12-2014 | -7,96,831                                | Sale        | 40,34,173                                                            | 0.60                                   |

| Sr. No | Name                              | Shareholding                                                                     |                                           | Date       | Increase/<br>Decrease in<br>shareholding | Reason      | Cumulative Shareholding<br>during the year (01-04-14 to<br>31-03-15) |                                        |
|--------|-----------------------------------|----------------------------------------------------------------------------------|-------------------------------------------|------------|------------------------------------------|-------------|----------------------------------------------------------------------|----------------------------------------|
|        |                                   | No. of shares at<br>the beginning<br>(01-04-14)/end<br>of the year<br>(31-03-15) | % of total<br>shares<br>of the<br>Company |            |                                          |             | No. of<br>Shares                                                     | % of total<br>shares of the<br>Company |
|        |                                   |                                                                                  |                                           | 02-01-2015 | 1,11,132                                 | Acquisition | 41,45,305                                                            | 0.65                                   |
|        |                                   |                                                                                  |                                           | 13-12-2015 | 1,01,670                                 | Acquisition | 42,46,975                                                            | 0.66                                   |
|        |                                   |                                                                                  |                                           | 27-03-2015 | -1,81,345                                | Sale        | 40,65,630                                                            | 0.64                                   |
|        |                                   | 40,65,630                                                                        | 0.50                                      | 31-03-2015 |                                          |             | 40,65,630                                                            | 0.50                                   |
| 10     | Government Pension<br>Fund Global | 32,82,032                                                                        | 0.51                                      | 01-04-2014 |                                          |             |                                                                      |                                        |
|        |                                   |                                                                                  |                                           | 04-04-2014 | -9,24,309                                | Sale        | 23,57,723                                                            | 0.37                                   |
|        |                                   |                                                                                  |                                           | 11-04-2014 | -7,91,157                                | Sale        | 15,66,566                                                            | 0.25                                   |
|        |                                   |                                                                                  |                                           | 18-04-2014 | -5,11,401                                | Sale        | 10,55,165                                                            | 0.17                                   |
|        |                                   |                                                                                  |                                           | 25-04-2014 | -7,03,098                                | Sale        | 3,52,067                                                             | 0.06                                   |
|        |                                   |                                                                                  |                                           | 02-05-2014 | -3,52,067                                | Sale        | 0                                                                    | 0.00                                   |
|        |                                   |                                                                                  |                                           | 13-03-2015 | 16,34,796                                | Acquisition | 16,34,796                                                            | 0.26                                   |
|        |                                   |                                                                                  |                                           | 20-03-2015 | 11,82,897                                | Acquisition | 28,17,693                                                            | 0.44                                   |
|        |                                   |                                                                                  |                                           | 28-03-2015 | 6,04,560                                 | Acquisition | 34,22,253                                                            | 0.54                                   |
|        |                                   | 34,22,253                                                                        | 0.42                                      | 31-03-2015 |                                          |             | 34,22,253                                                            | 0.42                                   |

Note:

Paid-up capital of the Company as on 31.03.2014 was 63,93,99,911 equity shares of ₹ 1/- each and as on 31.03.2015 was 81,02,41,117 equity shares of ₹ 1/- each

**(v) Shareholding of Directors and Key Managerial Personnel:**

| Sl. No. |                                              | Shareholding at the beginning of the year |                                     | Cumulative Shareholding during the year |                                     |
|---------|----------------------------------------------|-------------------------------------------|-------------------------------------|-----------------------------------------|-------------------------------------|
|         |                                              | No. of shares                             | % of total shares of<br>the company | No. of shares                           | % of total shares of<br>the company |
|         | <b>For Each of the Directors and<br/>KMP</b> |                                           |                                     |                                         |                                     |
|         | At the beginning of the year                 |                                           |                                     |                                         |                                     |
| 1       | Shishir Bajaj (up to 16/10/2014)             | 83,96,341                                 | 1.31                                | 83,96,341                               | 1.04                                |
| 2       | Kushagra Bajaj                               | 1,28,97,036                               | 2.02                                | 1,28,97,036                             | 1.59                                |
| 3       | D. S. Mehta (up to 16/10/2014)               | 1,50,000                                  | 0.02                                | 1,50,000                                | 0.02                                |
| 4       | M. L. Apte                                   | 1,800                                     | 0.00                                | 1,800                                   | 0.00                                |
| 5       | R. V. Ruia                                   | 6,750                                     | 0.00                                | 6,750                                   | 0.00                                |
| 6       | Alok Krishna Agarwal                         | 0                                         | -                                   | 0                                       | -                                   |
| 7       | D. K. Shukla                                 | 0                                         | -                                   | 0                                       | -                                   |
| 8       | Dr. Sanjeev Kumar<br>(up to 29/03/2015)      | 200                                       | 0.00                                | 200                                     | 0.00                                |
| 9       | Manoj Maheshwari<br>(up to 29/03/2015)       | 0                                         | -                                   | 0                                       | -                                   |
| 10      | Ashok Kumar Gupta                            | 2,900                                     | 0.00                                | 2,900                                   | 0.00                                |
| 11      | Kiran Anuj (w.e.f. 30/03/2015)               | 0                                         | -                                   | 0                                       | -                                   |
| 12      | Pradeep Parakh                               | 4,000                                     | 0.00                                | 4,000                                   | 0.00                                |
| 13      | Anand Kumar Kanodia<br>(up to 17/10/2014)    | 0                                         | -                                   | 0                                       | -                                   |
| 14      | Ved Prakash Agrawal<br>(w.e.f. 18/10/2014)   | 0                                         | -                                   | 0                                       | -                                   |



## V. INDEBTEDNESS:

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

|                                                            | Secured Loans<br>excluding deposits | Unsecured<br>Loans | Deposits    | Total<br>Indebtedness |
|------------------------------------------------------------|-------------------------------------|--------------------|-------------|-----------------------|
|                                                            | ₹ Crore                             | ₹ Crore            | ₹ Crore     | ₹ Crore               |
| <b>Indebtedness at the beginning of the financial year</b> |                                     |                    |             |                       |
| i) Principal Amount                                        | 6,182.56                            | 92.11              | 0.00        | 6,274.67              |
| ii) Interest due but not paid                              |                                     |                    |             |                       |
| iii) Interest accrued but not due                          | 21.35                               | 0.00               | 0.00        | 21.35                 |
| <b>Total (i+ii+iii)</b>                                    | <b>6,203.91</b>                     | <b>92.11</b>       | <b>0.00</b> | <b>6,296.02</b>       |
| <b>Change in Indebtedness during the financial year</b>    |                                     |                    |             |                       |
| • Addition                                                 | 1,265.02                            | 175.56             | 0.00        | 1,440.58              |
| • Reduction                                                | 340.32                              | 91.01              | 0.00        | 431.33                |
| <b>Net Change</b>                                          | <b>924.69</b>                       | <b>84.55</b>       | <b>0.00</b> | <b>1,009.24</b>       |
| <b>Indebtedness at the end of the financial year</b>       |                                     |                    |             |                       |
| i) Principal Amount                                        | 7,107.25                            | 176.66             | 0.00        | 7,283.91              |
| ii) Interest due but not paid                              |                                     |                    |             |                       |
| iii) Interest accrued but not due                          | 4.72                                | 0.00               | 0.00        | 4.72                  |
| <b>Total (i+ii+iii)</b>                                    | <b>7,111.97</b>                     | <b>176.66</b>      | <b>0.00</b> | <b>7,288.63</b>       |

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

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

Amount in ₹

| Sl. No. | Particulars of Remuneration                                                         | Name of MD/WTD/ Manager |                    |                      |                          |                       |                     |
|---------|-------------------------------------------------------------------------------------|-------------------------|--------------------|----------------------|--------------------------|-----------------------|---------------------|
|         |                                                                                     | Mr. Shishir Bajaj *     | Mr. Kushagra Bajaj | Dr. Sanjeev Kumar ** | Mr. Manoj Maheshwari *** | Mr. Ashok Kumar Gupta | Total Amount        |
| 1       | Gross salary                                                                        |                         |                    |                      |                          |                       |                     |
|         | (a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961 | 3,38,22,318             | 1,18,80,000        | 1,63,15,135          | 1,64,88,016              | 66,39,827             | 8,51,45,296         |
|         | (b) Value of perquisites u/s 17(2) of Income-tax Act, 1961                          | 15,94,404               | 4,64,329           | 54,306               | 54,600                   | 5,49,892              | 27,17,531           |
|         | (c) Profits in lieu of salary under Section 17(3) of Income-tax Act, 1961           | -                       | -                  | -                    | -                        | -                     | -                   |
| 2       | Stock Option                                                                        | -                       | -                  | -                    | -                        | -                     | -                   |
| 3       | Sweat Equity                                                                        | -                       | -                  | -                    | -                        | -                     | -                   |
| 4       | Commission                                                                          |                         |                    |                      |                          |                       |                     |
|         | - as % of profit                                                                    | -                       | -                  | -                    | -                        | -                     | -                   |
|         | - others, specify...                                                                | -                       | -                  | -                    | -                        | -                     | -                   |
| 5       | Others (Cont. to PF & Superannuation fund, etc.)                                    | 18,47,323               | 8,64,000           | 10,23,611            | 11,44,287                | 7,95,445              | 56,74,666           |
|         | Total (A)                                                                           | 3,72,64,045             | 1,32,08,329        | 1,73,93,052          | 1,76,86,903              | 79,85,164             | 9,35,37,493         |
|         | Ceiling as per the Act                                                              |                         |                    |                      |                          |                       | <b>10,99,99,278</b> |

\* Mr. Shishir Bajaj was Director only for part of the year i.e. up to October 16, 2014. In addition to the aforesaid remuneration, ₹ 1,18,55,503 was paid during the year to Mr. Shishir Bajaj as remuneration related to previous period after obtaining the requisite approvals as per the Companies Act, 2013.

\*\* Dr. Sanjeev Kumar was Director only for part of the year i.e. up to March 29, 2015. In addition to the aforesaid remuneration, ₹ 9,38,803 was paid during the year to Dr. Sanjeev Kumar as remuneration related to previous period after obtaining the requisite approvals as per the Companies Act, 2013.

\*\*\* Mr. Manoj Maheshwari was Director only for part of the year i.e. up to March 29, 2015.

**B. Remuneration to other directors:****Amount in ₹**

| Particulars of Remuneration                  | Name of Directors        |                |                |                 |                  |                  |                     |
|----------------------------------------------|--------------------------|----------------|----------------|-----------------|------------------|------------------|---------------------|
|                                              | Mr. Alok Krishna Agarwal | Mr. R. V. Ruia | Mr. M. L. Apte | Mr. D. S. Mehta | Mr. D. K. Shukla |                  | Total Amount        |
| 1. Independent Directors                     |                          |                |                |                 |                  |                  |                     |
| • Fee for attending board committee meetings | 2,00,000                 | 2,80,000       | 2,30,000       | 70,000          | 2,80,000         |                  | 10,60,000           |
| • Commission                                 | -                        | -              | -              | -               | -                |                  | -                   |
| • Others, please specify                     | -                        | -              | -              | -               | -                |                  | -                   |
| Total (1)                                    | 2,00,000                 | 2,80,000       | 2,30,000       | 70,000          | 2,80,000         |                  | 10,60,000           |
|                                              |                          |                |                |                 |                  | Mrs. Kiran Anuj* |                     |
| 2. Other Non-Executive Directors             |                          |                |                |                 |                  |                  |                     |
| • Fee for attending board committee meetings | -                        | -              | -              | -               | -                | -                | -                   |
| • Commission                                 | -                        | -              | -              | -               | -                | -                | -                   |
| • Others, please specify                     | -                        | -              | -              | -               | -                | -                | -                   |
| Total (2)                                    | -                        | -              | -              | -               | -                | -                | -                   |
| Total (B)=(1+2)                              | 2,00,000                 | 2,80,000       | 2,30,000       | 70,000          | 2,80,000         | -                | 10,60,000           |
| Total Managerial Remuneration                |                          |                |                |                 |                  |                  | <b>9,45,97,493</b>  |
| Overall ceiling as per the Act**             |                          |                |                |                 |                  |                  | <b>10,99,99,278</b> |

\* Mrs. Kiran Anuj was appointed w.e.f. March 30, 2015

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

**C. Remuneration to Key Managerial Personnel other than MD/Manager/WTG:****Amount in ₹**

| Sl. No. | Particulars of Remuneration                                                         | Key Managerial Personnel |                         |                    |                    |
|---------|-------------------------------------------------------------------------------------|--------------------------|-------------------------|--------------------|--------------------|
|         |                                                                                     | CFO*                     | CFO**                   | Company Secretary  | Total              |
|         |                                                                                     | Mr. Anand Kumar Kanodia  | Mr. Ved Prakash Agrawal | Mr. Pradeep Parakh |                    |
| 1       | Gross Salary                                                                        |                          |                         |                    |                    |
|         | (a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961 | 58,96,652                | 18,11,299               | 1,61,86,939        | 2,38,94,890        |
|         | (b) Value of perquisites u/s 17(2) of Income-tax Act, 1961                          | 35,689                   | 29,711                  | 14,78,612          | 15,44,012          |
|         | (c) Profits in lieu of salary under Section 17(3) of Income tax Act, 1961           | -                        | -                       | -                  | -                  |
| 2       | Stock Option                                                                        | -                        | -                       | -                  | -                  |
| 3       | Sweat Equity                                                                        | -                        | -                       | -                  | -                  |
| 4       | Commission                                                                          |                          |                         |                    |                    |
|         | - as % of profit                                                                    | -                        | -                       | -                  | -                  |
|         | - others, specify...                                                                | -                        | -                       | -                  | -                  |
| 5       | Others (Contribution to PF, Superannuation funds, etc.)                             | 3,14,323                 | 1,04,377                | 20,31,748          | 24,50,448          |
|         | <b>Total</b>                                                                        | <b>62,46,664</b>         | <b>19,45,387</b>        | <b>1,96,97,299</b> | <b>2,78,89,350</b> |

\* Mr. Anand Kumar Kanodia was CFO only for part of the year i.e. up to October 17, 2014

\*\* Mr. Ved Prakash Agrawal was appointed as CFO w.e.f. October 18, 2014

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

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

For and on behalf of the Board of Directors

**Kushagra Bajaj**  
Chairman & Managing Director  
(DIN: 00017575)

Mumbai,  
July 08, 2015

**ANNEXURE VI****REPORT ON CSR ACTIVITIES/INITIATIVES**

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

- A brief outline of the Company's CSR policy, including overview of the projects or programmes proposed to be undertaken and reference to the web-link 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](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: -

- To ensure an increased commitment at all levels in the Company, to operate its business in an economically, socially & environmentally sustainable manner, while recognising the interests of all its stakeholders.
- To directly or indirectly take up programmes that benefit the communities in and around its work centres and results, over a period of time, in enhancing the quality of life & economic well-being of the local population.
- To generate, through its CSR initiatives, a community goodwill for BHSL and help reinforce a positive & socially responsible image of BHSL as a corporate entity.

## 2. The composition of the CSR Committee:

Mr. Kushagra Bajaj, Chairman  
 Mr. Alok Krishna Agarwal, Member  
 Mrs. Kiran Anuj, Member \*  
 Mr. Ashok Kumar Gupta, Member

\* Mrs. Kiran Anuj was inducted as member in place of Dr. Sanjeev Kumar w.e.f. 30.03.2015

- Average Net Profit of the Company for last 3 financial years:** Not applicable (Since the Company incurred loss during last 3 financial years).
- Prescribed CSR expenditure (2% of amount):** Not Applicable
- Details of CSR activities/projects undertaken during the year:** Not applicable
  - Total amount to be spent for the financial year
  - Amount un-spent, if any
  - Manner in which the amount spent during financial year, is detailed below:

| 1                  | 2                                | 3                                      | 4                                                                                                                                                        | 5                                              | 6                                                                                                                              | 7                                           | 8                                                 |
|--------------------|----------------------------------|----------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------|---------------------------------------------------|
| Sr. No.            | CSR project/ activity identified | Sector in which the Project is covered | Projects/Programmes<br>1. Local area/others-<br>2. Specify the state / district (Name of the District/s, State/s where project/ programme was undertaken | Amount outlay (budget) project/ programme-wise | Amount spent on the project/ programme<br><br><u>Sub-heads:</u><br>1. Direct expenditure on project/ programme<br>2. Overheads | Cumulative spent up to the reporting period | Amount spent: Direct/through implementing agency* |
| - Not Applicable - |                                  |                                        |                                                                                                                                                          |                                                |                                                                                                                                |                                             |                                                   |

\* Give details of implementing agency.

- 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
- Responsibility statement:**

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

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

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

**Ashok Kumar Gupta**  
 Director  
 (DIN: 02608184)

## ANNEXURE VII

### Disclosures with respect to the remuneration of Directors and employees as required under Section 197 of 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 2014-15 (Amount in ₹) | % Increase in Remuneration in the year 2014-15 | Ratio of Remuneration of each Director to median remuneration of employee | Comparison of the Remuneration of KMP against performance of the Company                                                                                                                                                                                         |
|---------|---------------------------|----------------------------------------------------------|------------------------------------------------------------------|------------------------------------------------|---------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1       | Mr. Shishir Bajaj**       | Chairman & Managing Director (up to October 16, 2014)    | 3,72,64,045                                                      | *                                              | *                                                                         | Turnover of the Company was ₹ 4,570.12 crore as compared to ₹ 6,694.06 crore in the previous 18 months ended March 31, 2014. The loss after tax was ₹ 1,097.22 crore as compared to the loss of ₹ 1,533.12 crore in the previous period ended on March 31, 2014. |
| 2       | Mr. Kushagra Bajaj        | Chairman and Managing Director (w.e.f. October 18, 2014) | 1,32,08,329                                                      | 1%                                             | 86.38                                                                     |                                                                                                                                                                                                                                                                  |
| 3       | Dr. Sanjeev Kumar***      | Executive Director (up to March 29, 2015)                | 1,73,93,052                                                      | *                                              | *                                                                         |                                                                                                                                                                                                                                                                  |
| 4       | Mr. Manoj Maheshwari      | Director and Group CFO (up to March 29, 2015)            | 1,76,86,903                                                      | *                                              | *                                                                         |                                                                                                                                                                                                                                                                  |
| 5       | Mr. Ashok Kumar Gupta     | Director (Group Operations)                              | 79,85,164                                                        | 0%                                             | 52.22                                                                     |                                                                                                                                                                                                                                                                  |
| 6       | Mr. D.S. Mehta            | Director (up to October 17, 2014)                        | 70,000                                                           | *                                              | *                                                                         |                                                                                                                                                                                                                                                                  |
| 7       | Mr. M.L. Apte             | Director                                                 | 2,30,000                                                         | @                                              | 1.50                                                                      |                                                                                                                                                                                                                                                                  |
| 8       | Mr. D.K. Shukla           | Director                                                 | 2,80,000                                                         | @                                              | 1.83                                                                      |                                                                                                                                                                                                                                                                  |
| 9       | Mr. R.V. Ruia             | Director                                                 | 2,80,000                                                         | @                                              | 1.83                                                                      |                                                                                                                                                                                                                                                                  |
| 10      | Mr. Alok Krishna Agarwal  | Director                                                 | 2,00,000                                                         | @                                              | 1.31                                                                      |                                                                                                                                                                                                                                                                  |
| 11      | Mrs. Kiran Anuj \$        | Director                                                 | -                                                                | -                                              | -                                                                         | Turnover of the Company was ₹ 4,570.12 crore as compared to ₹ 6,694.06 crore in the previous 18 months ended March 31, 2014. The loss after tax was ₹ 1,097.22 crore as compared to the loss of ₹ 1,533.12 crore in the previous period ended on March 31, 2014. |
| 12      | Mr. Anand Kumar Kanodia   | Chief Financial Officer (up to October 17, 2014)         | 62,46,664                                                        | *                                              | Not Applicable                                                            |                                                                                                                                                                                                                                                                  |
| 13      | Mr. Ved Prakash Agrawal   | Chief Financial Officer (w.e.f. October 18, 2014)        | 19,45,387                                                        | *                                              | Not Applicable                                                            |                                                                                                                                                                                                                                                                  |
| 14      | Mr. Pradeep Parakh        | Group President (GRC) & Company Secretary                | 1,96,97,299                                                      | 10%                                            | Not Applicable                                                            |                                                                                                                                                                                                                                                                  |

\* Percentage increase in remuneration and Ratio of remuneration to median remuneration of employee not given as they were holding position of Director/KMP for the part of the year 2014-15

\*\* In addition to the aforesaid remuneration, ₹ 1,18,55,503 was paid during the year to Mr. Shishir Bajaj as remuneration related to previous period after obtaining the requisite approvals as per the Companies Act, 2013

\*\*\* In addition to the aforesaid remuneration, ₹ 9,38,803 was paid during the year to Dr. Sanjeev Kumar as remuneration related to previous period after obtaining the requisite approvals as per the Companies Act, 2013

\$ Mrs. Kiran Anuj was appointed w.e.f. 30.03.2015

@ Sitting fees paid to non executive directors during the year was less than the sitting fees paid in the last financial year.

**2. The median remuneration of employees of the Company during the year was ₹ 1,52,901.**

**3. The increase in the median remuneration of employees in the financial year was 4.50%.**

**4. There were 7176 permanent employees on the rolls of the Company as at March 31, 2015.**

**5. Relationship between average increase in remuneration and Company performance:**

Average increase in remuneration during the financial year 2014-15 as compared to the financial year 2013-14 was 6.65%. Turnover of the Company was ₹ 4,570.12 crore as compared to ₹ 6,694.06 crore in the previous 18 months ended March 31, 2014. The loss after tax was ₹ 1,097.22 crore as compared to the loss of ₹ 1,533.12 crore in the previous period. The average increase in remuneration was in line with the performance of the Company.

**6. Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company:**

The remuneration of the Key Managerial Personnel was marginally increased by around 2.67% which was necessitated despite the loss of ₹ 1,097.22 crore by the Company during the year, considering the overall operation and size of the Company.

- 7. a) Variations in the market capitalisation of the Company:** The market capitalisation as on March 31, 2015 was ₹ 1,166.75 crore and as on March 31, 2014 was ₹ 1,046.70 crore.
- b) Price earnings ratio of the Company as at March 31, 2015 and as at March 31, 2014 was not applicable as the EPS was negative.**
- c) Percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the Company as at the close of the current financial year and previous financial year:** Not applicable
- 8. 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 6.66%. Increase in remuneration of managerial personnel is 2.67%. The increase in remuneration of employees other than the managerial personnel is in line with the increase in remuneration of managerial personnel.

**9. Comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company:**

Explanation as given in point no.6

**10. The key parameters for any variable component of remuneration availed by the directors:**

The key parameters for the variable component of remuneration of the directors are decided by the Nomination and Remuneration Committee in accordance with the principles laid down in the Remuneration policy.

**11. There are no employees who receives remuneration in excess of the highest paid director of the Company.****12. 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) read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

| Sr. No. | Name of Employee | Designation/ Nature of duties | Remuneration (₹) | Qualification | Age (years) | Experience (No. of years) | Date of commencement of employment | Particulars of previous employment and the period | (% of equity shares) |
|---------|------------------|-------------------------------|------------------|---------------|-------------|---------------------------|------------------------------------|---------------------------------------------------|----------------------|
| 1       | 2                | 3                             | 4                | 5             | 6           | 7                         | 8                                  | 9                                                 | 10                   |

- A. Employees employed throughout the financial year and who were in receipt of the remuneration for that financial year in the aggregate of not less than ₹ 60,00,000

|   |                    |                                            |             |                                                                      |    |    |             |                                                    |      |
|---|--------------------|--------------------------------------------|-------------|----------------------------------------------------------------------|----|----|-------------|----------------------------------------------------|------|
| 1 | Mr. Kushagra Bajaj | Chairman & Managing Director               | 1,32,08,329 | B.S.Indl Mgmt (Fin,Eco,Pol Phil), M. S. (Integrated Mktg Comm (Mktg) | 38 | 13 | 20.08.2001  | -                                                  | 1.59 |
| 2 | Mr. Narayan Raman  | President (Corporate & Investor Relations) | 1,02,41,648 | BE (Electrical), Diploma in System Analysis and Design               | 53 | 28 | 22.12. 2003 | V.P.(Investor Relations), Sterlite Industries Ltd. | -    |



| Sr. No. | Name of Employee          | Designation/<br>Nature of duties         | Remuneration<br>(₹) | Qualification                                       | Age<br>(years) | Experience<br>(No. of<br>years) | Date of<br>commencement<br>of employment | Particulars of previous<br>employment and the<br>period                       | (% of equity<br>shares) |
|---------|---------------------------|------------------------------------------|---------------------|-----------------------------------------------------|----------------|---------------------------------|------------------------------------------|-------------------------------------------------------------------------------|-------------------------|
| 1       | 2                         | 3                                        | 4                   | 5                                                   | 6              | 7                               | 8                                        | 9                                                                             | 10                      |
| 3       | Mr. Manoj S. Maheshwari*  | Director & Group CFO                     | 1,77,75,294         | B.Com. (Hons), FCA, FCS & MBA (Marketing)           | 49             | 27                              | 22.09.2007                               | Sr.V.P (Finance) & Co.Secretary, Hindusthan National Glass & Industries Ltd.  | -                       |
| 4       | Dr. Sanjeev Kumar*        | Executive Director                       | 1,84,25,748**       | B.Com., M Com., FICWA, FCS, Ph D, LLB, Diploma IPRL | 56             | 36                              | 19.06.2004                               | VP (Legal) & Co. Secretary, H B Stockholding Ltd.                             | 0.00                    |
| 5       | Mr. Ashok Kumar Gupta     | Director (Group Operations)              | 79,85,164           | M.Com                                               | 64             | 43                              | 31.05.1982                               | Account Officer, Upper Doab Sugar Mills Ltd.                                  | 0.00                    |
| 6       | Mr. Pradeep Parakh        | Group President(GRC) & Company Secretary | 1,96,97,299         | B.Com (Hons), FCA, FCS                              | 48             | 26                              | 07.03.2001                               | Dy. Company Secretary, Gujarat Ambuja Cement Ltd.                             | 0.00                    |
| 7       | Mr. Naval Kishore Kashyap | Sr. V.P. (Indirect Taxation)             | 61,75,789           | B.Com. Diploma (Excise & Cust.)                     | 55             | 34                              | 01.11.2011                               | President (Business and Regulatory Affairs), Carbery Infrastructure Pvt. Ltd. | 0.00                    |

B. 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 ₹ 5,00,000 per month

|   |                             |                              |                |                           |    |    |            |                                                    |      |
|---|-----------------------------|------------------------------|----------------|---------------------------|----|----|------------|----------------------------------------------------|------|
| 1 | Mr. Shishir Bajaj           | Chairman & Managing Director | 4,91,19,548*** | MBA (New York University) | 67 | 44 | 01.08.1974 | Dy.Commercial Manager-Matchwell Electrical (I) Ltd | 1.04 |
| 2 | Mr. K S Vaidyanathan        | Director (Corporate Affairs) | 1,61,14,915    | B.Com (Hons)              | 75 | 46 | 06.06.2007 | Sr. Vice President (Corp & Affairs), ITC Ltd.      | -    |
| 3 | Mr. Anand Kumar Kanodia**** | Chief Financial Officer      | 90,71,760      | B.Com, FCA & FCS          | 45 | 24 | 19.08.2013 | Chief Financial Controller, Electro Casting Ltd.   | -    |

Notes:

- 1 Remuneration includes Salary, Allowances, Company's Contribution to Provident Fund, Superannuation, etc., taxable value of perquisites and terminal benefits as may be applicable.
  - 2 Except the appointment of Mr. Shishir Bajaj and Mr. Kushagra Bajaj, all appointments are non-contractual and terminable by notice on either side.
  - 3 Mr. Kushagra Bajaj, Chairman & Managing Director (w.e.f. 18.10.2014) is son of Mr. Shishir Bajaj.
- \* Ceased as Whole-time Director w.e.f. 30.03.2015.  
\*\* Including ₹ 9,38,803 pertaining to previous period paid during the year after obtaining requisite approvals as per the Companies Act, 2013.  
\*\*\* Including ₹ 1,18,55,503 pertaining to previous period paid during the year after obtaining requisite approvals as per the Companies Act, 2013.  
\*\*\*\*Ceased as CFO w.e.f. 18.10.2014.

For and on behalf of the Board of Directors

**Kushagra Bajaj**  
Chairman & Managing Director  
(DIN: 00017575)

Mumbai,  
July 08, 2015

## 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 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. Installation of auto system spray engineering device to reduce power consumption by reduction of injection water.
2. Use of Direct Contact Heater (DCH) for heating of BH molasses by using of Noxious gases to save energy.
3. Installation of auto shut off system for over head cold water tank pumps.
4. Use of CFL in place of simple bulb and lighting in colony and factory reduce the power load.
5. Installation of Variable Frequency Drives (VFD) at feed pump to save energy.
6. 100% lagging of steam carrying lines to minimise heat loss.
7. Automation in operation through DCS at Mill & Boiler sections to reduce power consumption.
8. Synchronisation and reorientation of equipments in individual sections to reduce power load.
9. Additional power capacitor in the power house & all MCC room with PCC to increase power factor to reduce power consumption.
10. Installation of Digital AVR on 15 MW Both Turbines. Both Turbines will run parallel with Grid and Power export can increase if Sugar Plant will run on optimum capacity.
11. Pump having smaller capacity installed at UGR for water re-circulation during off season which saved approximately 50% of previous power consumption.
12. Rationalisation of power equipments to save electrical energy.

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

Nil

#### **(iii) Capital investment on energy conservation equipments:**

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, 2015 were accelerated as under:

1. Introduction of coragen, a pesticide used to protect cane crop from borers in the area and was provided to farmers cultivating desired cane varieties on 25% subsidy.
2. Electronic Weighbridges were introduced in the year 2012-2013 and they are running successfully at out centres for cane weighment.

3. 100% out centres are being operated by Hand Held Terminals (HHT) for recording and printing of weighment.
4. Design and installation of bearing protection system for mill roller bearings.
5. New cane varieties Co 0238, 0239, Co 118, Co 98014 in early group and CoJ 88 & Cos 8432 in general group were introduced.
6. Space row planting in place of traditional method of sowing at 4 feet distance.
7. Introduced Zero Budget Natural Farming concept in the area.
8. Maximum hot and cold water recirculation system is adopted within available resources.
9. Utilization of Filterate / Melt / Syrup Clarification.
10. Modification of cooling water pipe for different equipment to collect in UGR (Under Ground Reservoir) through gravity.
11. Installation of Bio-gas Plant.
12. Installation of efficient lime classifier.
13. Installation of 1 No. I.C make 35T/Hr. capacity Sugar Grader to improve the L& M Grade Sugar retention.
14. Installations of 2 Nos. 2200 Cu.M/Hr. capacity Injection Pumps at Evaporator in place of 4 Nos. old designed.
15. Modification in 3500 Sq.M FFE Juice Circulation Line. to avoid the leakages and to reduce the breakdown.
16. Adoption of A-1 Massecuite Boiling in existing System.
17. Installation of 60 Cu.M/Hr. capacity Cooling Tower to cool & reuse the surplus Condensate Water.
18. Modification in Dust Sugar Collecting system.
19. Automation of Anti Foam dosing in fermentation.
20. Connection of hot air from F.D in S.A. Fan inlet.

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

1. There was very low infestation of bowers in the plots where coragan was applied and it resulted in good quality healthy cane supply to the mill also the yield of the farmers were better as compared to previous years.
2. Electronic Weighbridges have reduced paper work and helped in increasing the accuracy of cane weighment.
3. HHT reduced the manual work to "Zero" and due to GPRS technology the data transfer to our server is fast and accurate. Also helped in cutting down the manual staff which was involved in the process of checking feeding etc.
4. Reduce of oil consumption and wastage.
5. Proper varietal balance maintained for achieving good recovery % cane.
6. Average cane yield increased resulting availability of sugar cane increased.
7. Zero Budget Natural Farming helps in bringing down the cost of sugarcane cultivation while improving the soil fertility as well as productivity of sugarcane.
8. Reduced the use of ground water and same time it reduces the generation of effluent.
9. Reduction of sulphur consumption & improvement of quality and recovery of sugar.
10. Better circulation in Pans.
11. Bio gas production increased.
12. Reduction of lime consumption.
13. Sugar grading improved and retention of L & M sugar increased by 3 to 4%.

14. Reduced the power consumption and enhance the capacity. Approx. 100 HP power saved.
15. Efficiency of FFE improved and leakages avoided.
16. Sugar quality improved.
17. Surplus water cooled and reused in process.
18. Wastage of sugar controlled.
19. Consumption of Anti Foam reduced.
20. Hot air connection in S.A. Fan is improving all boiler efficiency through better burning of fuel.

**(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/period ended                                  | Year ended<br>March 31, 2015 | 18 months ended<br>March 31, 2014 |
|------------------------------------------------------------|------------------------------|-----------------------------------|
|                                                            | (₹ Crore)                    | (₹ 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/ period ended                         | Year ended March 31, 2015 | 18 months ended March 31, 2014 |
|----------------------------------------------------|---------------------------|--------------------------------|
|                                                    | (₹ Crore)                 | (₹ Crore)                      |
| Foreign exchange earned in terms of actual inflows | 0.02                      | 179.53                         |
| Foreign exchange outgo in terms of actual outflows | 777.14                    | 497.57                         |

For and on behalf of the Board of Directors

**Kushagra Bajaj**  
Chairman & Managing Director  
(DIN: 00017575)

Mumbai,  
July 08, 2015

# Corporate Governance Report

(Pursuant to Clause 49 of the Listing Agreement entered with the Stock Exchanges)

## Tenets of Company's Corporate Governance philosophy

We strongly believe that retaining and enhancing stakeholder trust is indispensable for sustained corporate growth. Maximising the shareholder value while safeguarding and promoting the interests of other stakeholders and maintaining a resolute commitment to ethics and code of conduct forms the nucleus of the Company's Corporate Governance philosophy. For the Company, adherence to Corporate Governance stems not only from the letter of law but also from our inherent belief in doing fair business the right way.

Bajaj Hindusthan Sugar Limited (Bajaj Hindusthan Sugar/BHSL) is in full compliance with the Corporate Governance norms and disclosures of Clause 49 of the Listing Agreement with the Stock Exchanges. We report our financial results and other relevant disclosures/developments in a clear and timely manner through print and electronic media. The Company files its quarterly, half yearly, annual results, quarterly shareholding patterns in the manner and within such time as prescribed in the Listing Agreement.

The Company's policies on Corporate Governance and compliance thereof in respect of specific areas for the financial year ended March 31, 2015, in the format prescribed by Clause 49 of the Listing Agreement with the Stock Exchanges are set out below for the information of the shareholders and investors of the Company.

The fundamental theme of Corporate Governance at Bajaj Hindusthan Sugar is the nature and extent of accountability of people in the business. The tenets of honesty, transparency and fairness have been entrenched into the corporate culture and each of its associate to ensure adherence to the following main principles of Corporate Governance:-

- **Rights and equitable treatment of shareholders:** To respect the rights of shareholders and help

shareholders to exercise those rights by openly and effectively communicating information and by encouraging shareholders to participate in general meetings.

- **Interests of other stakeholders:** To recognise that the Company has legal, contractual, social, and market driven obligations to the non-shareholder stakeholders comprising external stakeholder groups represented by investors, lenders, trade creditors, suppliers, customers, communities affected by the Company's activities, policy makers, etc. on the one hand and the internal stakeholders represented by the Board of Directors, executives and other employees on the other.
- **Role and responsibilities of the Board:** The Board possesses sufficient relevant skills and understanding to review and challenge management performance with appropriate levels of independence and commitment.
- **Integrity and ethical behaviour:** To practice that integrity is a fundamental requirement in choosing corporate officers and board members. The Company has developed a code of conduct for its Directors and executives that promotes ethical and responsible decision-making.
- **Disclosure and transparency:** The roles and responsibilities of Board and Management are clearly defined, make publicly disseminated to provide stakeholders with a level of accountability. All the material matters concerning the organisation are timely disclosed and balanced to ensure that all investors have access to clear, factual information.

Towards this end, all the Directors and Senior Management are committed to adhere to the Company's Code of Conduct and Code for Prevention of Insider Trading. The Management always aims at seeking practical solutions with the objective of strengthening corporate and board governance within the existing framework.

## Board of Directors

### Composition

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.

The Board of Directors as on March 31, 2015 consists of 7 Directors. 2 of the Directors are Executive Directors and the remaining 5 Directors are Non-Executive Directors. The Executive Directors consist of 1 Executive Chairman & Managing Director, 1 Whole-time Director. 1 of the 7 Directors belong to the promoter group.

According to Clause 49 of the Listing Agreement, if the Chairman is an Executive Chairman, at least half of the Board should consist of Non-Executive Directors and also at least half of the Board shall comprise Independent Directors. In the case of Bajaj Hindusthan Sugar, 71% of its Directors are Non-Executive. Since 4 Non-Executive Directors are Independent Directors, the Company is presently complying with the requirement of having one-half of the total size of the Board as Independent Directors. As Table 1 shows, both these provisions are met by Bajaj Hindusthan Sugar.

Directors are appointed or re-appointed with the approval of the shareholders and shall remain in office in accordance with the retirement policy laid down by the Board from time-to-time. The Managing Director and all the Non-Executive Directors (except Independent Directors) are liable to retire by rotation unless otherwise specifically approved by the shareholders.

## Profile of Directors

The brief profile of each Director is given below:

### Mr. Kushagra Bajaj, Chairman & Managing Director

Mr. Kushagra Bajaj is one of our Promoters. He graduated with a Bachelor of Science (Hons.) degree in Economics, Political Philosophy and Finance from the Carnegie Mellon University, Pittsburgh, USA. Mr. Bajaj completed his Master of Science degree in Marketing from the Northwestern University, Chicago, USA. Mr. Bajaj was the Chief Executive of the Company from August 2001 to April 2007 and was appointed as Joint

Managing Director with effect from April 24, 2007. He was re-designated as the Vice Chairman and Joint Managing Director with effect from April 30, 2011 and is responsible for overall operations of our Company. He has over one decade of experience in sugar and FMCG industries, all of which has been with our Company and with the Group Companies of our Promoters. He became the Chairman & Managing Director of the Company with effect from October 18, 2014. Mr. Kushagra Bajaj is the son of Mr. Shishir Bajaj.

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

Mr. M. L. Apte has been a member of our Board of Directors since July 1970. He is also the Chairman of the Apte Group of companies. Mr. Apte is a former sheriff of Mumbai, a former president of the Maharashtra Chamber of Commerce, the Bombay Chamber of Commerce, the Cricket Club of India and the Indian Sugar Mills Association, a former member of the Indian Cotton Mills Federation and a former chairman of the Textiles Committee.

### Mr. R. V. Ruia, Independent, Non-Executive

Mr. R. V. Ruia has been a member of our Board of Directors since April 2001. He received a Bachelors Degree in Commerce from Mumbai University in 1982. He is a director of Dawn Apparels Private Limited. Mr. R. V. Ruia is a committee member at The Bombay Mill Owners' Association, Indian Cotton Mills Federation and Bombay Textile Research Association and is a trustee of various public charity trusts.

### Mr. Alok Krishna Agarwal, Independent, Non-Executive

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

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

Mr. D. K. Shukla has been a member of our Board of Directors since October 2001. He has a Bachelors degree in Arts and a Masters degree in Social Work.



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

#### **Mr. Ashok Kumar Gupta, Executive, Non-Independent**

Mr. Ashok Kumar Gupta has been a member of our Board of Directors since October 2012. He has experience of more than 41 years in Sugar Industry. After completing his M.Com from Agra University, he had started his service career from Dhampur Sugar Mills, Dhampur, district Bijnor in 1970 and thereafter joined Upper Doab Sugar Mills, Shamli, district Muzaffar Nagar (a Unit of Shadilal Enterprises) in August 1978. Thereafter, he had joined in Bajaj Hindusthan Sugar Limited, Golagokarannath, Lakhimpur Kheri on May 31, 1982 and since then continuing with BHSL. During his long tenure with BHSL, he had worked in various senior posts in different departments and presently working as Director (Group Operations), Sugar & Distillery Divisions. He is a patron Member of The Sugar Technologists' Association of India (Membership No. 4551). 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.

#### **Mrs. Kiran Anuj, Non-Executive, Non-Independent**

Mrs. Kiran Anuj has been a member of our Board of Directors since March 2015. She has more than 34 years of experience in areas of Public Relations and Liaisoning. Prior to joining us, she has worked with Western Electronics Ltd. as Executive Manager and with Lomex Mascon, Moscow as Manager – Marketing. She holds the degree of B.A. (Hons.) and also has obtained professional qualification in Overseas Secretarial Practices from YWCA, New Delhi.

## **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.

### **Attendance record of the Directors**

During the financial year 2014-15, the Board of Directors met ten times on May 16, 2014, June 30, 2014, August 08, 2014, September 25, 2014, October 18, 2014, November 12, 2014, December 11, 2014, December 25, 2014, February 12, 2015 and March 30, 2015. The gap between any two meetings has been less than four months.

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

**Table 1: Composition of the Board of directors and attendance record of directors during the financial year ended March 31, 2015**

| <b>Name</b>                                                                                  | <b>Category</b>               | <b>Board Meetings held / attended</b> | <b>Whether attended previous AGM held on August 12, 2014 (18 months)</b> |
|----------------------------------------------------------------------------------------------|-------------------------------|---------------------------------------|--------------------------------------------------------------------------|
| Mr. Shishir Bajaj<br>(Chairman and Managing Director)<br>(up to 16/10/2014)<br>DIN: 00017612 | Executive                     | 10/02*                                | No                                                                       |
| Mr. Kushagra Bajaj<br>(Chairman and Managing Director<br>w.e.f. 18/10/2014)<br>DIN: 00017575 | Executive                     | 10/07                                 | No                                                                       |
| Mr. D. S. Mehta<br>(up to 16/10/2014)<br>DIN: 00038366                                       | Independent,<br>Non-Executive | 10/03*                                | No                                                                       |
| Mr. M. L. Apte<br>DIN: 00003656                                                              | Independent,<br>Non-Executive | 10/09                                 | No                                                                       |
| Mr. R. V. Ruia<br>DIN: 00035853                                                              | Independent,<br>Non-Executive | 10/08                                 | No                                                                       |

| Name                                                                                | Category                           | Board Meetings held / attended | Whether attended previous AGM held on August 12, 2014 |
|-------------------------------------------------------------------------------------|------------------------------------|--------------------------------|-------------------------------------------------------|
| Mr. D. K. Shukla<br>DIN: 00025409                                                   | Independent,<br>Non-Executive      | 10/09                          | No                                                    |
| Mr. Alok Krishna Agarwal<br>DIN: 00127273                                           | Independent,<br>Non-Executive      | 10/06                          | Yes                                                   |
| Dr. Sanjeev Kumar<br>Executive Director<br>(up to 29/03/2015)<br>DIN: 00364416      | Executive                          | 10/08                          | No                                                    |
| Mr. Manoj Maheshwari<br>Director & Group CFO<br>(up to 29/03/2015)<br>DIN: 02581704 | Executive                          | 10/06                          | No                                                    |
| Mr. Ashok Kumar Gupta<br>Director (Group Operations)<br>DIN: 02608184               | Executive                          | 10/08                          | No                                                    |
| Mrs. Kiran Anuj (w.e.f. 30/03/2015)<br>DIN: 02606822                                | Non- Executive,<br>Non-Independent | N.A.                           | -                                                     |

\* Total no. of meetings held up to 18.10.2014 was 4.

## Meeting of Independent Directors

As stipulated by the Code of Independent Directors under the Companies Act, 2013 and the Listing Agreement, a separate meeting of the Independent Directors of the Company was held on February 12, 2015 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 timeliness of the flow of information between the Management and the Board and its Committees which is necessary to effectively and reasonably perform and discharge their duties.

## Agenda

All the meetings are conducted as per well designated 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 ensuing Board Meeting for ratification/approval.

## 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.

## Membership term

As per statutory requirements, at least two-third of the Board (other than Independent Directors) should

consist of retiring Directors. Of these, one-third is required to retire every year by rotation and, if eligible, may seek re-appointment at a general meeting. 4 out of the 7 Directors of Bajaj Hindusthan Sugar are Independent Directors. 3 out of remaining 7 Directors are such retiring Directors.

### 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 2

**Table 2: Directorship in other companies and committee position in all public limited companies as at March 31, 2015**

| Name                                    | Directorship in all other companies | Committee Membership       |                              |       | Committee Chairmanship     |                              |       |
|-----------------------------------------|-------------------------------------|----------------------------|------------------------------|-------|----------------------------|------------------------------|-------|
|                                         |                                     | In Listed Public Companies | In Unlisted Public Companies | Total | In Listed Public Companies | In Unlisted Public Companies | Total |
| Mr. Shishir Bajaj (up to 16/10/2014)    | 2                                   | 1                          | NIL                          | 1     | NIL                        | NIL                          | NIL   |
| Mr. Kushagra Bajaj                      | 2                                   | 2                          | NIL                          | 2     | NIL                        | NIL                          | NIL   |
| Mr. D. S. Mehta (up to 16/10/2014)      | 8                                   | 5                          | NIL                          | 5     | 1                          | NIL                          | 1     |
| Mr. M. L. Apte                          | 6                                   | 8                          | NIL                          | 8     | NIL                        | NIL                          | NIL   |
| Mr. R. V. Ruia                          | 8                                   | 2                          | NIL                          | 2     | 2                          | NIL                          | 2     |
| Mr. D. K. Shukla                        | NIL                                 | 2                          | NIL                          | 2     | 1                          | NIL                          | 1     |
| Mr. Alok Krishna Agarwal                | 10                                  | 3                          | NIL                          | 3     | NIL                        | NIL                          | NIL   |
| Dr. Sanjeev Kumar (up to 29/03/2015)    | 6                                   | 4                          | NIL                          | 4     | 3                          | NIL                          | 3     |
| Mr. Manoj Maheshwari (up to 29/03/2015) | 2                                   | NIL                        | NIL                          | NIL   | NIL                        | NIL                          | NIL   |
| Mr. Ashok Kumar Gupta                   | NIL                                 | NIL                        | NIL                          | NIL   | NIL                        | NIL                          | NIL   |
| Mrs. Kiran Anuj (w.e.f. 30/03/2015)     | 2                                   | 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 Listing Agreement.

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.

### Induction & training of Board members

On appointment, the concerned Director is issued a Letter of Appointment setting out in detail, the terms of appointment, duties, responsibilities and expected time commitments. Each newly appointed Independent Director is taken through a formal induction programme including the presentation from the Chairman & Managing Director on the Company's manufacturing, marketing, finance and other important aspects. The Company Secretary briefs the Director about their legal and regulatory responsibilities as a Director. The induction for independent Directors include interactive sessions with Executive Committee Members, Business and Functional Heads, visit to the manufacturing site etc. On the matters of specialised nature, the Company engages outside experts/consultants for presentation and discussion with the Board members.

### Familiarisation programmes for Independent Directors

Independent Directors have been explained about their roles, rights, responsibilities in the Company through detailed presentations on the changes in backdrop of Companies Act 2013 and Listing Agreement.

The Board including all Independent Directors were provided with relevant documents, reports and internal policies to enable them to familiarise with the Company's procedures and practices from time to time. Updates on relevant statutory changes on laws concerning the Company are informed to the entire Board on regular intervals. The Independent Directors are facilitated to meet without the presence of the Company's management to discuss matters pertaining to the Company's affairs.

The Board including Independent Directors is also updated periodically on Related Party Transactions and their rationale, Litigation update, various Policies and Standard Operating Procedures of the Company, Entity Level Risk, Risk Mitigation Plans, etc.

The details of such familiarisation programmes for Independent Directors are posted on the website of the Company and can be accessed at [www.bajajhindusthan.com](http://www.bajajhindusthan.com)

### 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 & committees, experience and competencies, performance of specific duties and obligations, governance issues etc. Separate exercise was carried out to evaluate the performance of individual Directors including the Board Chairman who were evaluated on parameters such as attendance, contribution at the meetings and otherwise, independent judgement, safeguarding of minority shareholders interest etc.

The evaluation of the Independent Directors was carried out by the entire Board and that of the Chairman and Non-independent Directors were carried out by the Independent Directors.

The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

### Code of conduct

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

### Prevention of insider trading code

As per SEBI (Prevention of Insider Trading) Regulation, 1992, the Company has adopted a Code of Conduct for Prevention for Insider Trading. All the Directors, employees at Senior Management and other employees who could have access to the unpublished price sensitive information of the Company are governed by this code. The trading window is closed during the time of declaration of results and occurrence of any material events as per the code. The Company has appointed Mr. Kausik Adhikari, Deputy Company Secretary as Compliance Officer, who is responsible for setting forth procedures and implementation of the code for trading in Company's securities. During the financial year under review, there has been due compliance with the said code.

## Board committees

**Table 3: Board Committees as of March 31, 2015**

| Committee                                 | Members (Position)                                                                                                                                                                                                                                                                                                                                        |
|-------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Audit Committee                           | Mr. R. V. Ruia, Chairman* (Independent, Non-Executive)<br>Mr. D. K. Shukla (Independent, Non-Executive)<br>Mr. Alok Krishna Agarwal (Independent, Non-Executive)                                                                                                                                                                                          |
| Nomination and Remuneration Committee     | Mr. D. S. Mehta, Chairman* (Independent, Non-Executive) (up to 16/10/2014)<br>Mr. D. K. Shukla, Chairman* (Independent, Non-Executive)<br>Mr. M. L. Apte (Independent, Non-Executive)<br>Mr. R. V. Ruia (Independent, Non-Executive)<br>Mr. Alok Krishna Agarwal (Independent, Non-Executive)                                                             |
| Stakeholders Relationship Committee       | Mr. D. S. Mehta, Chairman* (Independent, Non-Executive) (up to 16/10/2014)<br>Mr. Shishir Bajaj (Chairman & Managing Director) (up to 16/10/2014)<br>Mr. R. V. Ruia, Chairman* (Independent, Non-Executive)<br>Mr. M.L. Apte (Independent, Non-Executive)<br>Mr. Kushagra Bajaj, (Chairman & Managing Director) (w.e.f. 18/10/2014)                       |
| Management Committee                      | Mr. Shishir Bajaj, Chairman* (Chairman & Managing Director) (up to 16/10/2014)<br>Mr. Kushagra Bajaj, Chairman* (Chairman & Managing Director) (w.e.f. 18/10/2014)<br>Dr. Sanjeev Kumar, (Executive Director) (up to 29/03/2015)<br>Mr. Manoj Maheshwari, (Director & Group CFO) (up to 29/03/2015)<br>Mr. Ashok Kumar Gupta, Director (Group Operations) |
| Corporate Social Responsibility Committee | Mr. Kushagra Bajaj, Chairman* (Chairman & Managing Director) (w.e.f. 18/10/2014)<br>Mr. Alok Krishna Agarwal (Independent, Non-Executive)<br>Dr. Sanjeev Kumar, (Executive Director) (up to 29/03/2015)<br>Mr. Ashok Kumar Gupta, Director (Group Operations)<br>Mrs. Kiran Anuj, Non-Independent, Non-Executive (w.e.f. 30/03/2015)                      |

\* 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 either two members or one-third of the members of the committees, whichever is higher. In case of all the above committees of Bajaj Hindusthan Sugar, two members constitute the quorum.

## Audit Committee

### Constitution and composition

The Audit Committee in Bajaj Hindusthan Sugar was constituted in 1989. Pursuant to provisions of Section 177 of the Companies Act 2013, the Company was required to constitute an Audit Committee consisting of minimum three directors with independent directors forming a majority. The shareholders had approved the appointment of Independent Directors under the provisions of Companies Act, 2013 at the 82nd Annual General Meeting of the Company held on August 12, 2014. Accordingly, the Company re-constituted the Audit Committee in accordance with Section 177(2) of the Companies Act, 2013 on September 25, 2014. The scope and terms of reference and working of the Audit Committee are constantly reviewed and appropriate changes are made from time to time for greater effectiveness of the Committee. The Committee's composition conforms to the requirements of Clause 49 of the Listing Agreement and Section 177 of the Companies Act, 2013.

The composition of Audit Committee is given in Table 4. All the committee members possess sound knowledge of accounts, audit and finance.

### Meetings and attendance

During the financial year ended March 31, 2015, the Audit Committee met seven times on May 16, 2014, August 08, 2014, September 25, 2014, October 18, 2014, November 12, 2014, December 25, 2014 and February 12, 2015. The gap between any two meetings has been less than four months.

Out of the aforesaid, three 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 4.

**Table 4: Attendance at the meetings of the audit committee of directors during financial year 2014-15**

| Name of Committee Members | Position                   | Audit Committee Meetings held / attended |
|---------------------------|----------------------------|------------------------------------------|
| Mr. R. V. Ruia, Chairman  | Independent, Non-Executive | 7/6                                      |
| Mr. D. K. Shukla          | Independent, Non-Executive | 7/7                                      |
| Mr. Alok Krishna Agarwal  | Independent, Non-Executive | 7/4                                      |

Mr. Shishir Bajaj, Chairman and Managing Director\* and Mr. Kushagra Bajaj, Vice-Chairman & Joint Managing Director\*\*, are permanent invitees 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

\* Mr. Shishir Bajaj, ceased to be Chairman & Managing Director w.e.f. October 17, 2014

\*\* Mr. Kushagra Bajaj, Chairman & Managing Director w.e.f. October 18, 2014

### Brief description of terms of reference

The terms of reference of Audit Committee are quite comprehensive and include all requirements mandated under Clause 49 of the Listing Agreement and Section 177 of the Companies Act, 2013. The Committee focussed its attention on overseeing and monitoring the financial reporting system within the Company, considering quarterly, half-yearly and annual financial results of the Company and submitting its observations to the Board of Directors before its adoption by the Board, review of annual budgets, annual internal audit plans, legal compliance reporting system, implementation of SAP, review of internal control systems, audit methodology and process, major accounting policies and practices, compliance with accounting standards, risk management and risk disclosure policy and uses of proceeds from Preferential Issue. The Audit Committee also continued to advise the management on areas where greater internal control and internal audit focus was needed and on new areas to be taken up for audit. These were based on the Committee's discussions and review of the observations of the reports submitted by the Company's Internal Audit Department on systems and controls, cost control measures and statutory compliance in various functional areas.

## Nomination and Remuneration Committee

### Composition of the committee

The Remuneration Committee was constituted in 2003. Pursuant to the provisions of Section 178 of the Companies Act, 2013, the Board of Directors at its meeting held on September 25, 2014 had re-constituted the Nomination & Remuneration Committee consisting of four non-executive Directors. Consequent to the resignation of Mr. D.S. Mehta as a Director of the Company, the Committee was re-constituted on October 17, 2014. The composition of the Nomination & Remuneration Committee is given in Table 5 below.

### Terms of reference

The Remuneration Committee was constituted in 2003 and has been re-christened as Nomination and Remuneration Committee with effect from August 11, 2010 with the following terms of reference:

- To determine the Company's policy on remuneration to Executive Directors and their relatives working in the Company, including pension rights and compensation payments.
- To approve the remuneration payable to all managerial personnel (under the Companies Act, 2013) including Executive Directors.
- To monitor ESOP Scheme promulgated by erstwhile Bajaj Hindusthan Sugar and Industries Limited till the Scheme is in force.

### Meeting and attendance

During the financial year ended March 31, 2015, the Nomination and Remuneration Committee met one time on November 12, 2014. The attendance of each Committee Member is provided in Table 5.

**Table 5: Attendance at the meetings of the nomination and remuneration committee of directors during the financial year ended March 31, 2015**

| Name of Committee Members                      | Position                   | Nomination and Remuneration Committee Meetings held / attended |
|------------------------------------------------|----------------------------|----------------------------------------------------------------|
| Mr. D. S. Mehta, Chairman (up to 16/10/2014)   | Non-Executive, Independent | -                                                              |
| Mr. M. L. Apte                                 | Non-Executive, Independent | 1/1                                                            |
| Mr. R. V. Ruia                                 | Non-Executive, Independent | 1/1                                                            |
| Mr. D. K. Shukla, Chairman (w.e.f. 18/10/2014) | Non-Executive, Independent | 1/1                                                            |
| Mr. Alok Krishna Agarwal (w.e.f. 18/10/2014)   | Non-Executive, Independent | 1/1                                                            |

## Remuneration policy

The Nomination & 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 Directors 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 ₹ 20,000 for attending each Board Meeting and ₹ 10,000 for attending each Committee Meeting. The details of sitting fees paid to Non-Executive Directors during the financial year ended March 31, 2015 are provided in Table 6.

### Remuneration of executive Directors

The executive Directors – Mr. Shishir Bajaj (up to 16/10/2014), Mr. Kushagra Bajaj, Dr. Sanjeev Kumar (up to 29/03/2015), Mr. Manoj Maheshwari (up to 29/03/2015) and Mr. Ashok Kumar Gupta were paid remuneration as per their respective terms of appointment approved by the shareholders of the Company.

On their retirement, Mr. Shishir Bajaj and Mr. Ashok Kumar Gupta are entitled to superannuation benefits payable in the form of an annuity from the Life Insurance Corporation of India and these form part of the perquisites approved for them. Mr. Kushagra Bajaj, Dr. Sanjeev Kumar and Mr. Manoj Maheshwari are not entitled to superannuation benefits. 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. Dr. Sanjeev Kumar was granted 2,00,000 options under the Employee Stock Option Plan, 2006 framed by erstwhile Bajaj Hindusthan Sugar and Industries Limited (amalgamated with the Company with effect from December 20, 2010). These options

were vested on July 17, 2007 and upon non-exercise of options, expired on July 16, 2014. The pricing formula for these options has been described in Annexure II to Directors' Report.

The details of remuneration paid to the Directors of the Company are given in Table 6.

**Table 6: Remuneration of Directors during the financial year ended March 31, 2015**

| Name of Directors                                                    | Relationship with other directors | Salary ₹    | Commission | Performance linked incentive | Sitting fees ₹ | Total ₹     | Notice period |
|----------------------------------------------------------------------|-----------------------------------|-------------|------------|------------------------------|----------------|-------------|---------------|
| Mr. Shishir Bajaj, Chairman & Managing Director (up to 16/10/2014)   | Father of Mr. Kushagra Bajaj      | 3,72,64,045 | --         | --                           | --             | 3,72,64,045 | N.A.          |
| Mr. Kushagra Bajaj, Chairman & Managing Director (w.e.f. 18/10/2014) | Son of Mr. Shishir Bajaj          | 1,32,08,329 | --         | --                           | --             | 1,32,08,329 | N.A.          |
| Mr. D. S. Mehta (up to 16/10/2014)                                   | --                                | --          | --         | --                           | 70,000         | 70,000      | N.A.          |
| Mr. M. L. Apte                                                       | --                                | --          | --         | --                           | 2,30,000       | 2,30,000    | N.A.          |
| Mr. R. V. Ruia                                                       | --                                | --          | --         | --                           | 2,80,000       | 2,80,000    | N.A.          |
| Mr. D. K. Shukla                                                     | --                                | --          | --         | --                           | 2,80,000       | 2,80,000    | N.A.          |
| Mr. Alok Krishna Agarwal                                             | --                                | --          | --         | --                           | 2,00,000       | 2,00,000    | N.A.          |
| Dr. Sanjeev Kumar, Executive Director (up to 29/03/2015)             | --                                | 1,73,93,052 | --         | --                           | --             | 1,73,93,052 | A             |
| Mr. Manoj Maheshwari, Director & Group CFO (up to 29/03/2015)        | --                                | 1,76,86,903 | --         | --                           | --             | 1,76,86,903 | A             |
| Mr. Ashok Kumar Gupta, Director (Group Operations)                   | --                                | 79,85,164   | --         | --                           | --             | 79,85,164   | A             |
| Mrs. Kiran Anuj (w.e.f. 30/03/2015)                                  | --                                | --          | --         | --                           | --             | --          | N.A.          |

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

### Shares held by non-executive Directors

Shares held by Non-Executive Directors of the Company are given in Table 7.

**Table 7: Shares held by non-executive Directors**

| Name of the Directors | Number of Shares held as on March 31, 2015 |
|-----------------------|--------------------------------------------|
| Mr. M. L. Apte        | 1,800                                      |
| Mr. R. V. Ruia        | 6,750                                      |

## Stakeholders Relationship Committee

During the year under review, the nomenclature of the Shareholders & Investors Grievance Committee was changed to "Stakeholders Relationship Committee" in line with the provisions of Section 178 of the Companies Act, 2013. This Committee is responsible for speedy disposal of all grievances/complaints relating to shareholders/investors. Reference to this Committee has been made by SEBI in Clause 49 of the Listing Agreement.

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.

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

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

The Committee is headed by Mr. R.V. Ruia, Chairman, Independent Director and consists of the members as stated in Table 8 below. During the financial year ended March 31, 2015, the Stakeholders Relationship Committee met three times on August 08, 2014, November 12, 2014 and February 02, 2015.



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

**Table 8: Attendance at the meetings of the stakeholders relationship committee during the financial year ended March 31, 2015**

| Name of Committee Members                     | Position                     | Stakeholders Relationship Committee Meetings held / attended |
|-----------------------------------------------|------------------------------|--------------------------------------------------------------|
| Mr. D. S. Mehta, Chairman* (up to 16/10/2014) | Independent, Non-Executive   | 3/1                                                          |
| Mr. Shishir Bajaj (up to 16/10/2014)          | Chairman & Managing Director | 3/1                                                          |
| Mr. Kushagra Bajaj (w.e.f. 18/10/2014)        | Chairman & Managing Director | 3/2                                                          |
| Mr. R. V. Ruia, Chairman                      | Independent, Non-Executive   | 3/3                                                          |
| Mr. M. L. Apte                                | Independent, Non-Executive   | 3/2                                                          |

The detailed particulars of investors' complaints handled by the Company and its Registrar & Share Transfer Agent during the financial year are stated in Table 9.

**Table 9: Details of investor complaints during the financial year ended March 31, 2015**

| Nature of complaints received during 2014-15 | Number of complaints | Solved to the satisfaction |
|----------------------------------------------|----------------------|----------------------------|
| Non-receipt of Dividend/Dividend Warrant     | 14                   | 14                         |
| Non-receipt of Share Certificate             | --                   | --                         |
| Non-receipt of Annual Report                 | 02                   | 02                         |
| Legal and others                             | --                   | --                         |
| <b>Total</b>                                 | <b>16</b>            | <b>16</b>                  |

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

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

## 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 below.

### Composition and attendance

During the financial year ended on March 31, 2015, this Committee had met one time on November 12, 2014. The attendance of each Committee Member is provided in Table 10.

**Table 10: Attendance at the meetings of the corporate social responsibility committee during the financial year ended March 31, 2015**

| Name of Committee Members                                                       | Position                       | Corporate Social Responsibility Committee Meetings held / attended |
|---------------------------------------------------------------------------------|--------------------------------|--------------------------------------------------------------------|
| Mr. Kushagra Bajaj, Chairman (Chairman & Managing Director) (w.e.f. 18/10/2014) | Chairman & Managing Director   | 1/1                                                                |
| Mr. Alok Krishna Agarwal                                                        | Independent, Non-Executive     | 1/1                                                                |
| Dr. Sanjeev Kumar, Executive Director (up to 29/03/2015)                        | Executive                      | 1/1                                                                |
| Mr. Ashok Kumar Gupta, Director (Group Operations)                              | Executive                      | 1/1                                                                |
| Mrs. Kiran Anuj (w.e.f. 30/03/2015)                                             | Non-Independent, Non-Executive | --                                                                 |

### Other committees of Directors

In addition to the above referred Committees which are mandatory under the Companies Act, the Listing Agreement and under the SEBI Guidelines, the Board of Directors has constituted the following Committee of Directors to look into various business matters:

### Management committee

The Management Committee is formed to authorise grant of Power of Attorney to executives, to approve various facilities as and when granted by the Banks and execution of documents for these facilities. During the year the committee met one time. The composition of the Managing Committee is given in Table 3 above.

## Details of compliance with mandatory requirements and adoption of non-mandatory requirements

The Company has complied with all mandatory requirements of Clause 49 of the Listing Agreement with the Stock Exchanges and compliance with the non-mandatory requirements of this clause has been detailed hereunder:

### (1) Nomination and remuneration committee

The Company has a Nomination & Remuneration Committee, the details of which are provided in this Report under the section "Remuneration & Compensation Committee".

### (2) Audit qualification

The Statutory Audit Report does not contain any qualification, adverse remark or disclaimer made by the Statutory Auditor. The reservations made by the Statutory Auditors under para "Emphasis of Matter" along with notes no. 36(l)(a)(iv), 40 and 42 are self explanatory and do not call for any further information and explanation or comments under Section 134(3)(f) of the Companies Act, 2013.

### (3) Training of Board members

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

### (4) Whistle blower/Vigil mechanism policy

The Board of Directors of Bajaj Hindusthan Sugar Limited (BHSL) and Chairman & Managing Director of the Company are committed to maintain the highest standards of honesty, openness and accountability and recognise that each and every person in BHSL has an important role to play in achieving the organisational goals. It is the policy of the Company to encourage employees, when they have reasons to suspect questionable accounting/audit practices, or the reporting of fraudulent financial information to shareholders, the Government or the financial markets, and/or serious misconduct otherwise, to report those concerns to the Company's management.

## Subsidiary companies

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.

## 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, 2015.

## Management discussion and analysis

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

## Auditors' certificate on corporate governance

The Company has obtained a certificate from its Auditors testifying to its compliance with the provisions relating to Corporate Governance laid down in Clause 49 of the Listing Agreement with the stock exchanges. This certificate is annexed to the Directors' Report for the financial year ended March 31, 2015 and will be sent to the stock exchanges, along with the Annual Report to be filed by the Company.

## Steps for prevention of insider trading practices

In compliance with the SEBI (Prevention of Insider Trading) Regulations as amended in 2011, 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 Internal Procedure and Conduct' and 'The Code of Corporate Disclosure Policies' that it has framed in this regard will help in ensuring compliance with the amended SEBI regulations.

## Material disclosures and compliance

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.

# Shareholder Information

## Information on general body meetings

|                                           |                                                                                                                                                                                              |
|-------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Date, Time and Venue of 83rd AGM :</b> | Monday, the 14 <sup>th</sup> day of September, 2015 at 11.00 A.M. at BHSL Conference Hall, 1 <sup>st</sup> Floor, Golagokarannath, Lakhimpur-Kheri, district Kheri, Uttar Pradesh - 262 802. |
|-------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

The previous three Annual General Meetings (AGM) of the Company were held on the following date, time and venue. (See Table 11)

**Table 11: Date, Time and Venue of Annual General Meetings held:**

| AGM      | Day, Date & Time                            | Venue                                                                                           |
|----------|---------------------------------------------|-------------------------------------------------------------------------------------------------|
| 80th AGM | Saturday, 11th February, 2012 at 11.30 A.M. | Kamalnayan Bajaj Hall, Bajaj Bhawan, Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai - 400 021. |
| 81st AGM | Thursday, 14th February, 2013 at 11.30 A.M. | Rangaswar, Y.B. Chavan Centre, General Jagannath Bhosale Marg, Nariman Point, Mumbai - 400 021. |
| 82nd AGM | Tuesday, 12th August, 2014 at 11.00 A.M.    | BHL Club Hall, Golagokarannath, Lakhimpur-Kheri, district Kheri, Uttar Pradesh - 262 802.       |

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

### 80th AGM

| Subject matter of the resolutions                                                                                                                                                        | Type of resolution |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|
| 1. Re-appointment of Mr. Kushagra Bajaj as Vice Chairman & Joint Managing Director of the Company for a period of 5 (five) years with effect from April 24, 2012.                        | Special Resolution |
| 2. Revision in terms of remuneration of Dr. Sanjeev Kumar, Whole-time Director with effect from October 01, 2011 till the remaining tenure of his present term.                          | Special Resolution |
| 3. Payment and Distribution of commission to Non-Executive Directors not exceeding 1% of the Net Profits of the Company for a period of 5 (five) years commencing from October 01, 2011. | Special Resolution |
| 4. Resolution under Section 81 (1A) of the Companies Act, 1956 regarding further issue of share capital read with SEBI (Issue of Capital & Disclosure Requirements) Regulations, 2009.   | Special Resolution |

### 81st AGM

| Subject matter of the resolutions                                                                                                                                                      | Type of resolution  |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|
| 1. Appointment of Mr. Manoj Maheshwari as Director of the Company, liable to retire by rotation.                                                                                       | Ordinary Resolution |
| 2. Appointment of Mr. Ashok Kumar Gupta as Director of the Company, liable to retire by rotation.                                                                                      | Ordinary Resolution |
| 3. Appointment and remuneration of Mr. Manoj Maheshwari as Director & Group CFO of the Company for a period of 5 (five) years with effect from October 01, 2012.                       | Special Resolution  |
| 4. Appointment and remuneration of Mr. Ashok Kumar Gupta, as Director (Group Operations) of the Company for a period of 5 (five) years with effect from October 01, 2012.              | Special Resolution  |
| 5. Resolution under Section 81 (1A) of the Companies Act, 1956 regarding further issue of share capital read with SEBI (Issue of Capital & Disclosure Requirements) Regulations, 2009. | Special Resolution  |

## 82nd AGM

| Subject matter of the resolutions                                                                                                                                                      | Type of resolution  |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|
| 1. Change the office of Mr. Kushagra Bajaj (DIN: 00017575) from Non-rotational to Rotational                                                                                           | Ordinary Resolution |
| 2. Appointment of Mr. M. L. Apte (DIN: 00003656) as an Independent Director of the Company                                                                                             | Ordinary Resolution |
| 3. Appointment of Mr. D. S. Mehta (DIN: 00038366) as an Independent Director of the Company                                                                                            | Ordinary Resolution |
| 4. Appointment of Mr. R. V. Ruia (DIN: 00035853) as an Independent Director of the Company                                                                                             | Ordinary Resolution |
| 5. Appointment of Mr. Alok Krishna Agarwal (DIN: 00127273) as an Independent Director of the Company                                                                                   | Ordinary Resolution |
| 6. Appointment of Mr. D. K. Shukla (DIN: 00025409) as an Independent Director of the Company                                                                                           | Ordinary Resolution |
| 7. Resolution under Section 62(1)(c) of the Companies Act, 2013 regarding further issue of share capital read with SEBI (Issue of Capital & Disclosure Requirements) Regulations, 2009 | Special Resolution  |
| 8. Ratification of the remuneration to Cost Auditors                                                                                                                                   | Ordinary Resolution |

## Postal Ballot

During the year, pursuant to the provisions of Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, five postal ballots were conducted for seeking approval from the shareholders. The Board of Directors of the Company had appointed Mr. R. Ramachandran, Past President of the Institute of Company Secretaries of India and Practicing Company Secretary and M/s. S. L. Bhandari & Associates, Company Secretaries as Scrutinizers for conducting Postal Ballot voting process through fair and transparent manner.

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

- 1 A) 1. Special Resolution under Sections 196, 197, 203 and other applicable provisions of the Companies Act, 2013 for re-appointment and remuneration payable to Dr. Sanjeev Kumar (DIN: 00364416), Executive Director for a further period of 5 (five) years with effect from March 12, 2014 and payment of minimum remuneration in the event the Company has in any financial year no profits or its profits are inadequate for a period of 3 years w.e.f. March 12, 2014 (hereinafter referred to as "SPECIAL RESOLUTION NO.1");
2. Special Resolution under Sections 196, 197 and 203 and other applicable provisions of the Companies Act, 2013 for payment of overall and minimum remuneration to Mr. Kushagra Bajaj (DIN: 00017575), Joint Managing Director, in event the Company has in any financial year no profits or if its profits are inadequate at any time during the period of 2 years from April 24, 2015 to April 23, 2017 (hereinafter referred to as "SPECIAL RESOLUTION NO.2")
- B) The summary of the votes cast (including e-votes) based on the report submitted by Scrutinizer conducting the postal ballot is given below:

| Particulars          | Special Resolution No. 1 |                | Special Resolution No. 2 |                |
|----------------------|--------------------------|----------------|--------------------------|----------------|
|                      | No. of Shares            | % *            | No. of Shares            | % *            |
| Votes cast in favour | 35,95,29,041             | 99.69%         | 35,18,69,345             | 97.58%         |
| Votes cast against   | 11,22,200                | 0.31%          | 87,30,340                | 2.42%          |
| <b>Total</b>         | <b>36,06,51,241</b>      | <b>100.00%</b> | <b>36,05,99,685</b>      | <b>100.00%</b> |

\*% of total shares for valid votes

Therefore as indicated above, two Special Resolutions as circulated to the members vide Postal Ballot Notice dated May 16, 2014 were declared as duly passed by the requisite majority on June 30, 2014.

2. A) 1. Special Resolution under Sections 4, 13 and other applicable provisions of the Companies Act, 2013 for change of name of the Company from 'Bajaj Hindusthan Limited' to 'Northern India Sugar Limited' and consequent alteration of Memorandum and Articles of Association of the Company (hereinafter referred to as "SPECIAL RESOLUTION NO.1");
- B) The summary of the votes cast (including e-votes) based on the report submitted by Scrutinizer for conducting the postal ballot is given below:

| Particulars          | Special Resolution No. 1 |                |
|----------------------|--------------------------|----------------|
|                      | No. of Shares            | % *            |
| Votes cast in favour | 38,37,53,957             | 99.62%         |
| Votes cast against   | 14,53,778                | 0.38%          |
| <b>Total</b>         | <b>38,52,07,735</b>      | <b>100.00%</b> |

\*% of total shares for valid votes

Therefore as indicated above, Special Resolution as circulated to the members vide Postal Ballot Notice dated September 25, 2014 was declared as duly passed by the requisite majority on November 11, 2014.

- 3 A) 1. Special Resolution under Sections 196, 197, 203 and other applicable provisions of the Companies Act, 2013 for payment of overall and minimum remuneration to Mr. Shishir Bajaj as Managing Director (DIN: 00017612) for the period commencing from April 1, 2014 to October 17, 2014 (date of cessation) (SPECIAL RESOLUTION NO.1);
2. Special Resolution under Sections 196, 197, 203 and other applicable provisions of the Companies Act, 2013 for payment of overall and minimum remuneration to Mr. Kushagra Bajaj as Managing Director (DIN: 00017575) for the period commencing from April 1, 2014 to April 23, 2017 (up to the date of remaining tenure of the present appointment) (SPECIAL RESOLUTION NO.2);
3. Special Resolution under Sections 196, 197, 203 and other applicable provisions of the Companies Act, 2013 for payment of overall and minimum remuneration to Dr. Sanjeev Kumar as Executive Director (DIN: 00364416) for the period commencing from April 1, 2014 to March 11, 2019 (up to the date of remaining tenure of the present appointment) (SPECIAL RESOLUTION NO.3);
4. Special Resolution under Sections 196, 197, 203 and other applicable provisions of the Companies Act, 2013 for payment of overall and minimum remuneration to Mr. Manoj Maheshwari as Director and Group CFO (DIN: 02581704) for the period commencing from April 1, 2014 to September 30, 2017 (up to the date of remaining tenure of the present appointment) (SPECIAL RESOLUTION NO.4);
5. Special Resolution under Sections 196, 197, 203 and other applicable provisions of the Companies Act, 2013 for payment of overall and minimum remuneration to Mr. Ashok Kumar Gupta as Director (Group Operations) (DIN: 02608184) for the period commencing from April 1, 2014 to September 30, 2017 (up to the date of remaining tenure of the present appointment) (SPECIAL RESOLUTION NO.5).
- B) The summary of the votes cast (including e-votes) based on the report submitted by Scrutinizer for conducting the postal ballot is given below:

| Particulars          | Special Resolution No. 1 |                | Special Resolution No. 2 |                | Special Resolution No. 3 |                | Special Resolution No. 4 |                | Special Resolution No. 5 |                |
|----------------------|--------------------------|----------------|--------------------------|----------------|--------------------------|----------------|--------------------------|----------------|--------------------------|----------------|
|                      | No. of Shares            | % *            | No. of Shares            | % *            | No. of Shares            | % *            | No. of Shares            | % *            | No. of Shares            | % *            |
| Votes cast in favour | 32,97,02,981             | 96.22%         | 33,61,70,308             | 98.11%         | 33,60,69,947             | 98.08%         | 33,60,76,022             | 98.08%         | 33,60,97,525             | 98.08%         |
| Votes cast against   | 1,29,49,391              | 3.78%          | 64,75,260                | 1.89%          | 65,74,305                | 1.92%          | 65,69,055                | 1.92%          | 65,75,248                | 1.92%          |
| <b>Total</b>         | <b>34,26,52,372</b>      | <b>100.00%</b> | <b>34,26,45,568</b>      | <b>100.00%</b> | <b>34,26,44,252</b>      | <b>100.00%</b> | <b>34,26,45,077</b>      | <b>100.00%</b> | <b>34,26,72,773</b>      | <b>100.00%</b> |

\*% of total shares for valid votes

Therefore as indicated above, five Special Resolutions as circulated to the members vide Postal Ballot Notice dated November 12, 2014 were declared as duly passed by the requisite majority on January 9, 2015.

- 4 A) 1. Special Resolution under Sections 4, 13 and other applicable provisions of the Companies Act, 2013 for change the name of the Company from 'Bajaj Hindusthan Limited' to 'Bajaj Hindusthan Sugar Limited' and consequent alteration of Memorandum and Articles of Association of the Company (hereinafter referred to as "SPECIAL RESOLUTION NO.1").
- B) The summary of the votes cast (including e-votes) based on the report submitted by Scrutinizer for conducting the postal ballot is given below:

| Particulars          | Special Resolution No. 1 |                |
|----------------------|--------------------------|----------------|
|                      | No. of Shares            | % *            |
| Votes cast in favour | 38,36,23,024             | 99.96%         |
| Votes cast against   | 1,47,673                 | 0.04%          |
| <b>Total</b>         | <b>38,37,70,697</b>      | <b>100.00%</b> |

\*% of total shares for valid votes

Therefore as indicated above, Special Resolution as circulated to the members vide Postal Ballot Notice dated December 11, 2014 was declared as duly passed by the requisite majority on January 24, 2015.

- 5 A) 1. Special Resolution for approval of Restructuring Package in relation to the Company's debts (hereinafter referred to as "SPECIAL RESOLUTION NO.1");
2. Special Resolution for issue of equity shares on preferential basis on conversion of the Funded Interest Term Loan to JLF Lenders (hereinafter referred to as "SPECIAL RESOLUTION NO.2");
3. Special Resolution for issue of equity shares as may be required due to exercise of option by JLF Lenders to convert their loans in accordance with the Restructuring Package (hereinafter referred to as ("SPECIAL RESOLUTION NO.3");
4. Special Resolution for increase in the borrowing limit of the Company from ₹ 7,500 crore to ₹ 11,000 crore (hereinafter referred to as "SPECIAL RESOLUTION NO.4");
5. Special Resolution for creation of charges on the movable and immovable properties of the Company, both present and future, in respect of borrowings (hereinafter referred to as "SPECIAL RESOLUTION NO.5").
- B) The summary of the votes cast (including e-votes) based on the report submitted by Scrutinizer for conducting the postal ballot is given below:

| Particulars          | Special Resolution No. 1 |                | Special Resolution No. 2 |                | Special Resolution No. 3 |                | Special Resolution No. 4 |                | Special Resolution No. 5 |                |
|----------------------|--------------------------|----------------|--------------------------|----------------|--------------------------|----------------|--------------------------|----------------|--------------------------|----------------|
|                      | No. of Shares            | % *            | No. of Shares            | % *            | No. of Shares            | % *            | No. of Shares            | % *            | No. of Shares            | % *            |
| Votes cast in favour | 34,27,96,822             | 99.95%         | 34,27,18,874             | 99.93%         | 34,27,24,214             | 99.93%         | 34,24,11,441             | 99.84%         | 34,25,63,719             | 99.88%         |
| Votes cast against   | 18,5,214                 | 0.05%          | 2,44,699                 | 0.07%          | 2,37,384                 | 0.07%          | 5,60,019                 | 0.16%          | 3,99,338                 | 0.12%          |
| <b>Total</b>         | <b>34,29,82,036</b>      | <b>100.00%</b> | <b>34,29,63,573</b>      | <b>100.00%</b> | <b>34,29,61,598</b>      | <b>100.00%</b> | <b>34,29,71,460</b>      | <b>100.00%</b> | <b>34,29,63,057</b>      | <b>100.00%</b> |

\*% of total shares for valid votes

Therefore as indicated above, five Special Resolutions as circulated to the members vide Postal Ballot Notice dated January 15, 2015 were declared as duly passed by the requisite majority on March 05, 2015.

## Financial calendar

|                                                          |                                  |
|----------------------------------------------------------|----------------------------------|
| Financial Year 2015-16                                   | April 01, 2015 to March 31, 2016 |
| Audited Annual Results for the year ended March 31, 2015 | Third week of May 2015           |
| Mailing of Annual Report                                 | Second week of August 2015       |
| Unaudited first quarter financial result                 | Second week of August 2015       |
| Unaudited second quarter financial results               | Second week of November 2015     |
| Unaudited third quarter financial results                | Second week of February 2016     |



## Dividend announcement

In view of loss incurred 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

Tuesday, September 08, 2015 to Monday, September 14, 2015 (both days inclusive).

## Unclaimed dividends

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 and 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 2006-07 were transferred by the Company to the said fund on respective due dates. This would be followed by the transfer of the amounts of unpaid / unclaimed dividends every year in respect of dividends for subsequent years. Shareholders are therefore requested to verify their records and send claims, if any, for the relevant years from 2007-08 onwards, before the respective amounts become due for transfer to the fund. The details of unclaimed dividend are as under: -

| Year      | No. of shareholders | Amount (₹) | Due date of transfer to Investor Education and Protection Fund |
|-----------|---------------------|------------|----------------------------------------------------------------|
| 2007-2008 | 14840               | 11,06,189  | 29/04/2016                                                     |
| 2008-2009 | 11814               | 11,61,416  | 23/04/2017                                                     |
| 2009-2010 | 14944               | 18,39,165  | 27/04/2018                                                     |
| 2010-2011 | 18986               | 13,90,078  | 17/03/2019                                                     |
| 2011-2012 | 24566               | 6,34,879   | 21/03/2020                                                     |
| 2012-2014 | Nil                 | Nil        | Nil                                                            |

## Unclaimed shares in the suspense account

In accordance with the requirement of terms of Clause 5A(I) and Clause 5A(II) of the Listing Agreement, entered into with the Stock Exchanges, 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, 2014 | 3382                   | 8,29,810                |
| Number of shareholders who approached the Company for transfer of shares from suspense account during the year | 4                      | 4,670                   |
| Number of shareholders to whom shares were transferred from the suspense account during the year               | 4                      | 4,670                   |
| Aggregate number of shareholders and the outstanding shares in the suspense account lying as on March 31, 2015 | 3378                   | 8,25,140                |

The voting rights on the shares outstanding in the suspense accounts as on March 31, 2015 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 item no. 2 & item no. 4 of the Notice convening 83rd Annual General Meeting.

## Communication to shareholders

The Company has published its quarterly, half-yearly and annual results in all the editions of Free Press Journal (English), Navshakti (vernacular), Mumbai and Nav Bharat Times (vernacular) at Lucknow. Quarterly results were sent to the Stock Exchanges immediately after the Board approved them. The financial results and other relevant information are regularly and promptly updated on the website of the Company [www.bajajhindustan.com](http://www.bajajhindustan.com).

**Corporate filing and dissemination system (CFDS):**

The CFDS portal jointly owned, managed and maintained by BSE and NSE is a single source to view information filed by listed companies. All disclosures and communications to BSE and NSE are filed electronically through the CFDS portal. In particular, the Company informs BSE and NSE all price sensitive matters or such other matters which in its opinion are material and of relevance to the members.

**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 (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

In terms of Clause 52 of the Listing Agreement, the Company has started voluntarily filing of financial statements under Corporate Filings & Dissemination System (CFDS). The Compliance Officer is responsible for ensuring correctness, authenticity & comprehensiveness of the filings. The Company shall file all information, statements and reports under Corporate Filings & Dissemination System (CFDS) in a phased manner.

**Share transfer**

The power to approve share transfer/transmission, etc. as well as the dematerialisation/rematerialisation were delegated to Mr. Shishir Bajaj, Chairman & Managing Director and in his absence to Mr. D. S. Mehta, Director of the Company. With effect from December 15, 2009, the Share Transfer Committee has been dissolved and the aforesaid powers have been 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 and transfer agent**

m/s.Sharepro Services (India) Private Limited, as the Registrar and Share Transfer Agents 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. Sharepro Services (India) Private Limited.

**Share transfer system**

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

The number of shares transferred in physical category during the year ended March 31, 2015 was 3,450 as compared to 27,270 in 2012-14 (eighteen months).

**Dematerialisation of shares**

During the year ended March 31, 2015, 54,482 shares were dematerialised as compared to 16,44,741 shares during 2012-14 (eighteen months). The distribution of shares in physical and electronic modes as at March 31, 2015 and March 31, 2014 is provided in Table 12.

**Table 12: Details of shares held in physical and electronic mode**

| Categories   | Position as at March 31, 2015 |                         | Position as at March 31, 2014 |                         | Shares Dematerialised during the year ended March 31, 2015 |                         |
|--------------|-------------------------------|-------------------------|-------------------------------|-------------------------|------------------------------------------------------------|-------------------------|
|              | No. of Shares                 | % to total shareholding | No. of Shares                 | % to total shareholding | No. of Shares                                              | % to total shareholding |
| Physical     | 12,51,227                     | 0.15                    | 13,05,709                     | 0.20                    | -54482                                                     | -0.01                   |
| Demat:       |                               |                         |                               |                         |                                                            |                         |
| NSDL         | 40,93,57,684                  | 50.52                   | 41,24,88,919                  | 64.51                   | -31,31,235                                                 | -0.39                   |
| CDSL         | 22,87,91,000                  | 28.24                   | 22,56,05,283                  | 35.28                   | 31,85,717                                                  | 0.39                    |
| Sub-total    | 63,81,48,684                  | 78.76                   | 63,80,94,202                  | 99.80                   | 54,482                                                     | 0.01                    |
|              | 17,08,41,266*                 | 21.09                   | -                             | -                       |                                                            |                         |
| <b>Total</b> | <b>81,02,41,177</b>           | <b>100.00</b>           | <b>63,93,99,911</b>           | <b>100.00</b>           | <b>-</b>                                                   | <b>-</b>                |

\* 17,08,41,266 equity shares of ₹ 1/- each were allotted on March 30, 2015 which are not included in the category 'Demat'. As on March 31, 2015, credit of the shares in demat account of respective allottees was pending.

## 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 2015-16 to all the stock exchanges where its securities are listed.

The Global Depository Receipts (GDRs) were listed on the Luxembourg Stock Exchange and also admitted to trading on international order book of London Stock Exchange. GDRs of the Company were delisted from Luxembourg Stock Exchange with effect from October 08, 2013 and also de-registered from London Stock Exchange.

## Market price data

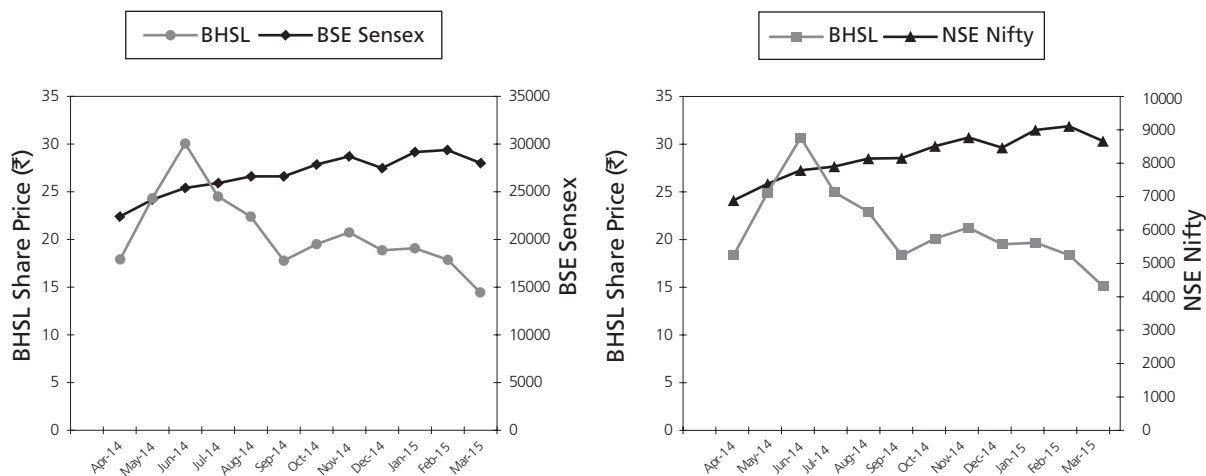
### Equity shares

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 13)

**Table 13: Monthly high/low market price of equity shares of Bajaj Hindusthan Sugar Limited during the period ended March 31, 2015**

| 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 2014     | 20.85                | 16.45 | 17.90   | 21.00                | 16.40 | 17.80   |
| May 2014       | 29.55                | 17.10 | 24.35   | 30.20                | 17.05 | 24.40   |
| June 2014      | 32.60                | 24.55 | 30.05   | 32.60                | 24.40 | 30.05   |
| July 2014      | 31.55                | 23.85 | 24.45   | 31.50                | 23.85 | 24.35   |
| August 2014    | 25.00                | 20.20 | 22.40   | 25.00                | 20.30 | 22.30   |
| September 2014 | 23.80                | 17.00 | 17.75   | 23.85                | 17.10 | 17.75   |
| October 2014   | 20.20                | 16.75 | 19.45   | 20.20                | 16.60 | 19.50   |
| November 2014  | 25.20                | 19.10 | 20.70   | 25.20                | 19.10 | 20.65   |
| December 2014  | 23.40                | 18.15 | 18.85   | 23.35                | 18.10 | 18.90   |
| January 2015   | 21.15                | 18.50 | 19.00   | 21.20                | 15.20 | 19.05   |
| February 2015  | 20.25                | 16.25 | 17.85   | 20.20                | 17.00 | 17.80   |
| March 2015     | 18.70                | 12.85 | 14.40   | 18.50                | 12.85 | 14.45   |

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, 2015 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, 2015 (See Table 14)

**Table 14: Shareholding distribution as at March 31, 2015**

| Category         | No. of shareholders | % of total holders | No. of Shares       | % of Capital  |
|------------------|---------------------|--------------------|---------------------|---------------|
| Up to 5000       | 1,37,993            | 96.54              | 6,86,11,009         | 8.47          |
| 5001 to 10000    | 2,594               | 1.82               | 1,93,75,596         | 2.39          |
| 10001 to 20000   | 1,192               | 0.83               | 1,69,98,046         | 2.10          |
| 20001 to 30000   | 426                 | 0.30               | 1,06,40,997         | 1.31          |
| 30001 to 40000   | 175                 | 0.12               | 60,76,875           | 0.75          |
| 40001 to 50000   | 112                 | 0.08               | 51,54,227           | 0.64          |
| 50001 to 100000  | 213                 | 0.15               | 1,60,62,982         | 1.98          |
| 100001 and above | 231                 | 0.16               | 66,73,21,445        | 82.36         |
| <b>Total</b>     | <b>1,42,936</b>     | <b>100.00</b>      | <b>81,02,41,177</b> | <b>100.00</b> |

**Shareholding pattern**

Table 15 gives the shareholding pattern of the Company as at March 31, 2015

**Table 15: Shareholding pattern as at March 31, 2015**

| Categories                      | March 31, 2015      |               | March 31, 2014      |               |
|---------------------------------|---------------------|---------------|---------------------|---------------|
|                                 | No. of Shares       | Percentage    | No. of Shares       | Percentage    |
| Promoters                       | 29,49,30,766        | 36.40         | 29,49,30,766        | 46.13         |
| Mutual Funds/UTI                | 9,623               | 0.00          | 10,743              | 0.00          |
| Financial Institutions/Banks    | 21,88,43,471        | 27.01         | 4,79,27,968         | 7.50          |
| Insurance Companies             | 4,31,65,896         | 5.33          | 4,34,70,216         | 6.80          |
| Foreign Institutional Investors | 1,65,76,251         | 2.05          | 2,03,93,754         | 3.19          |
| NRIs & OCBs                     | 34,14,114           | 0.42          | 34,75,136           | 0.54          |
| GDRs                            | 4,00,000            | 0.05          | 4,00,000            | 0.06          |
| Others                          | 23,29,01,056        | 28.74         | 22,87,91,328        | 35.78         |
| <b>Total</b>                    | <b>81,02,41,177</b> | <b>100.00</b> | <b>63,93,99,911</b> | <b>100.00</b> |

## Reconciliation of share capital audit

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

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

| Outstanding Instruments | No. of GDR as on March 31, 2015 | Value in USD | Conversion dates | Likely impact on equity shares of the Company |
|-------------------------|---------------------------------|--------------|------------------|-----------------------------------------------|
| GDRs                    | 4,00,000                        | N.A.         | N.A.             | N.A.                                          |

## 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 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

## Investor services

The Company under the overall supervision of Mr. Pradeep Parakh, Group President (GRC) & Company Secretary is committed to provide efficient and timely services to its shareholders. The Company has appointed M/s. Sharepro Services (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.

Clause 49 of the Listing Agreement 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 Muzaffarnagar, 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

## 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

### 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 Muzaffarnagar, 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

### 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](mailto:investor.complaints@bajajhindusthan.com)  
Website: [www.bajajhindusthan.com](http://www.bajajhindusthan.com)

### AND/OR

- 2) The Registrars and Share Transfer Agent of the Company M/s. Sharepro Services (India) Private Limited at their following address: -

| By Post/Courier/Hand Delivery                                                                                                                                                                                                                                                                                                                                                                                               | By Hand Delivery                                                                                                                                                                                                                                                                                                                  |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| M/s Sharepro Services (India) Private Limited<br>Unit : Bajaj Hindusthan Sugar Limited<br>13AB Samhita<br>Warehousing Complex<br>2nd Floor, Sakinaka Telephone Exchange Lane<br>Off Andheri-Kurla Road<br>Sakinaka, Andheri (East)<br>Mumbai - 400 072<br>Tel. No.: +91-22-6772 0400/1/2<br>Fax No.: +91-22-2850 8927, 2859 1568<br>Email: <a href="mailto:sharepro@shareproservices.com">sharepro@shareproservices.com</a> | M/s Sharepro Services (India) Private Limited<br>Unit : Bajaj Hindusthan Sugar Limited<br>912 Raheja Centre<br>Free Press Journal Road<br>Nariman Point<br>Mumbai - 400 021<br>Tel. No.: +91-22-2282 5163<br>Fax No.: +91-22-2282 5484<br>Email: <a href="mailto:sharepro@shareproservices.com">sharepro@shareproservices.com</a> |



# Declaration

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

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

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

Mumbai,  
 July 08, 2015

---

# Certificate

To the Members of  
**BAJAJ HINDUSTHAN SUGAR LIMITED**  
*(formerly Bajaj Hindusthan Limited)*

We have examined the compliance of the conditions of Corporate Governance by **BAJAJ HINDUSTHAN SUGAR LIMITED (formerly Bajaj Hindusthan Limited) ("the Company")**, for the year ended March 31, 2015 as stipulated in Clause 49 of the Listing Agreement of the said Company, with stock exchanges. The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementations thereof adopted by the company for ensuring compliance with the conditions of the Corporate Governance as in said Clause.

It is neither an audit nor an expression of opinion on the financial statements of the Company. In our opinion and to the best of our information and according to the explanations given to us, and based on the representations made by the Directors and the Management, we certify that, *except for paragraph 49(III)(A)(4) of the Listing Agreement relating to attendance of Chairman of Audit Committee at the Annual General Meeting*, the Company has complied with the conditions of the Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

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

**For CHATURVEDI & SHAH**  
 Chartered Accountants  
 (Firm Registration No.: 101720W)

**Amit Chaturvedi**  
 Partner  
 Membership No. 103141

Mumbai,  
 July 08, 2015

# Management Discussion and Analysis

## I. Global scenario

### Production

Year 2014-15 is not expected to leave a significant sugar surplus as per estimates from renowned agencies who track the sugar industry. World production vis-à-vis

world consumption may be balanced this year and it is expected that coming year (2015-16) would be deficit year after consecutive 5 surplus production years.

**Table 1: World sugar balance**

| ('000 Metric tons, Raw value) |           |           |           |           |               |
|-------------------------------|-----------|-----------|-----------|-----------|---------------|
| Particulars                   | 2010-2011 | 2011-2012 | 2012-2013 | 2013-2014 | 2014-2015 (P) |
| Production                    | 165560    | 174759    | 185323    | 182557    | 182897        |
| Import                        | 55371     | 56409     | 60305     | 57611     | 55973         |
| Consumption                   | 164155    | 168768    | 175645    | 178931    | 182424        |
| Export                        | 55245     | 56427     | 61086     | 57916     | 56647         |
| End Stock                     | 58387     | 64360     | 73257     | 76578     | 76377         |

Source: ISMA Hand Book of Sugar

**Table 2: World production**

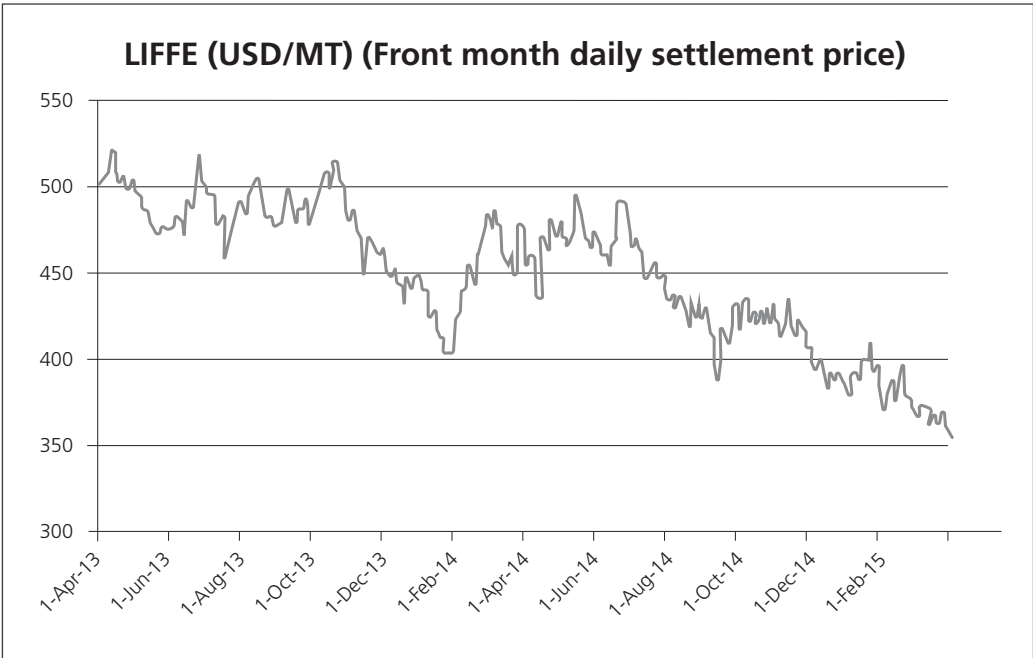
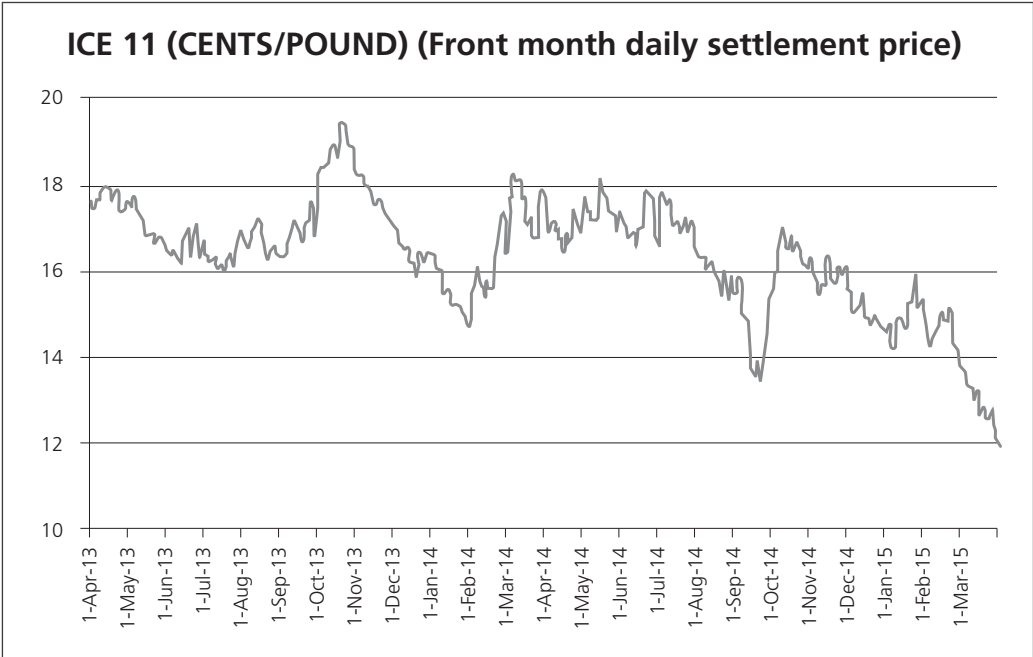
The major sugar producing countries during last three years are:

| ('000 Metric tons, Raw value) |                 |         |         |         |
|-------------------------------|-----------------|---------|---------|---------|
| S.NO.                         | NAME OF COUNTRY | 2011-12 | 2012-13 | 2013-14 |
| 1                             | Brazil          | 34639   | 40833   | 39630   |
| 2                             | India           | 28635   | 27509   | 26000   |
| 3                             | China           | 12520   | 14200   | 14600   |
| 4                             | Thailand        | 10670   | 10363   | 12179   |
| 5                             | U.S.A           | 7695    | 8125    | 7634    |
| 6                             | Mexico          | 5271    | 7489    | 6465    |
| 7                             | Pakistan        | 5150    | 5375    | 5950    |
| 8                             | Australia       | 3621    | 5037    | 4425    |
| 9                             | Germany         | 4801    | 4414    | 3605    |
| 10                            | France          | 4971    | 4555    | 4625    |
| 11                            | Russia          | 5506    | 4898    | 4775    |
| 12                            | Indonesia       | 2650    | 2785    | 2760    |
| 13                            | Philippines     | 2413    | 2649    | 2620    |
| 14                            | Argentina       | 2101    | 1989    | 2000    |
| 15                            | Colombia        | 2258    | 2063    | 2375    |
| 16                            | South Africa    | 2229    | 2371    | 2500    |
| 17                            | Guatemala       | 2650    | 2855    | 2900    |
| 18                            | Poland          | 2082    | 2039    | 1925    |
| 19                            | Turkey          | 2442    | 2375    | 2510    |
| 20                            | Ukraine         | 2402    | 2420    | 1350    |
| 21                            | Egypt           | 2100    | 2100    | 2100    |
| 22                            | Cuba            | 1475    | 1575    | 1625    |
| 23                            | United Kingdom  | 1347    | 1149    | 1321    |
| 24                            | Vietnam Sr      | 1303    | 1740    | 1725    |

Source: ISMA Hand Book of Sugar

Sugar price

The Graphical movement of International Sugar Prices during April 2013 – March 2015 are as under :-



**ICE 11:** From the above, it can be seen that during the period April 2013 – March 2015, ICE 11 (Raw Sugar Prices) started from the level of 17.7 cents / pound in April 2013 and closed below 12.0 cents at level of 11.9 cents / pound during March 2015. During the period, ICE 11 Sugar Prices touched the high of 19.5 cents / pound during October 2013 and lowest levels were 11.9 cents during March 2015.

**LIFFE:** LIFFE (White Sugar Prices) has travelled downwards from the level of 503 USD/mt as on April 01, 2013 to the level of 355 USD/mt prevailing as on March 31, 2015. During the period, White Sugar Prices have touched the high of 522 USD/mt during April 2013 and levels of 355 USD/mt as prevailing during March 2015 have been lowest during the period.

From the above, it can be seen that in last 2 years, Raw Sugar Prices have come down by almost 32% and White Sugar Prices have come down by almost 29%.

The reasons for such a steep decline in Sugar Prices are as under:-

#### Consistent high production of sugar

2014-15 is Fifth consecutive year (estimated) when Sugar Production is estimated to be in excess of consumption due to which Global Sugar stocks have surged as mentioned in Table 1 above.

#### Depreciating currency

Brazilian Real has depreciated from the level of 2.26 Real/USD as on April 01, 2014 to the level of 3.24 Real/USD as on March 31, 2015, which means devaluation of almost 43%.

Due to such massive devaluation of Brazilian Real,

Valuation of sugar exports in terms of local currency has increased for Brazilian Sugar Millers (largest exporter of sugar) and thus the devaluation of sugar prices in USD terms.

#### Dip in crude oil prices

During the year 2014-15, crude oil prices have crashed and slid by more than 50%. As on April 01, 2014, crude oil prices were around 99 USD/ barrel which as on March 31, 2015 has come down to the level of 48.5 USD/mt.

Such a massive devaluation in crude oil prices have disturbed macro factors across the globe including investments in commodity markets, market sentiments and devaluation of currencies against USD.

#### Continuation of favourable weather across the Globe

Weather across the globe continues to be conducive for sugar production with no major weather related interruption / damage to the sugar crop. During January 2014, Brazil CS has witnessed one of the worst drought conditions and there was fear of El-Nino being predicted by major weather agencies like Australian and US weather agency where El-Nino prediction probability was 70%.

Due to continued dry weather conditions, there was a fear of big drop in cane yield in Brazil CS and cane crushing estimates were revised downward to the level of 545 million mt as against initial estimate of 580 million mt and last year actual cane crushing of 597 million mt. Even after 70% probability, the year 2014 did not witness El-Nino event and yields in Brazil were not low as estimated initially and estimates were revised upwards again to 567 million mt.

**Table 3: Evolution of UNICA's production estimates - year 2014-15**

| Particulars                   | 2013-14 | 2014-15 UNICA Estimates   |                          |                           | YOY change |
|-------------------------------|---------|---------------------------|--------------------------|---------------------------|------------|
|                               | Actual  | April '14<br>(I Estimate) | Aug '14<br>(II Estimate) | Dec '14<br>(III Estimate) |            |
|                               | (a)     | (b)                       | (c)                      | (d)                       |            |
| Cane crush (mln tonnes)       | 597.06  | 580.00                    | 545.89                   | 567.00                    | -5.0       |
| Sugar production (mln tonnes) | 34.30   | 32.50                     | 31.36                    | 31.94                     | -6.9       |
| Total Ethanol (bln litres)    | 25.58   | 25.88                     | 24.01                    | 25.81                     | 0.9        |
| ATR/tonne of cane             | 133.30  | 135.00                    | 135.50                   | 136.60                    | 2.5        |
| Cane Allocation               |         |                           |                          |                           |            |
| - To Sugar (%)                | 45.20   | 43.60                     | 44.50                    | 43.20                     |            |
| - To Ethanol (%)              | 54.80   | 56.40                     | 55.50                    | 56.80                     |            |

Source: UNICA

In other major sugar producing countries also, there has been no major disruption / interruption on account of weather related issues.

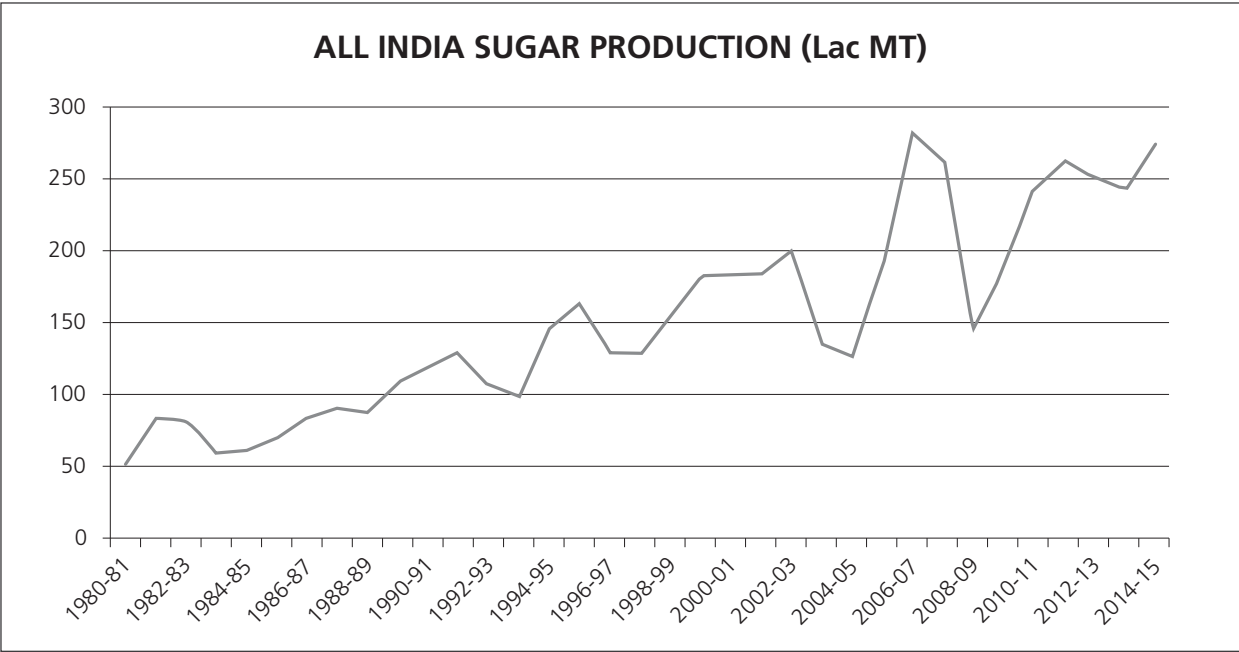
Consistently increasing production in india

For world sugar prices, it has been seen that India has been a big swing factor. Indian sugar production has been cyclical in nature where after 2-3 years there used

to be dip in production such that sugar production goes down below consumption and in the process country becomes net importer of sugar.

Last 5 years, infamous cyclical nature of Sugar Industry has disappeared and country is producing more than its consumption.

The sugar production pattern since 1980 given below:-



Due to consistent high sugar production, India has commenced exporting sugar. To solve the problem of surplus in country, Indian Government is giving incentive which is further adding on to the bearish pressure on the International sugar prices.

The year 2014-15 started with production estimate of 250 – 255 Lac MT which later on was revised to 260 Lac MT, then revised to 270 Lac MT. Now it is estimated that sugar production will touch the level of 280 Lac MT.

In fact, year 2015-16 is also estimated to be bumper year and as per preliminary reports sugar production will be in excess of consumption.

II. Indian scenario

Domestic production and consumption

Domestic production of sugar this year is estimated to rise by almost 15.0%. During 2014-15, sugar production is estimated to be around 280 Lac MT as against 243.95 Lac MT last year.

Table 4: All india sugar production – Status as on April 30, 2015

| State          | Year 2014-15        | Year 2013-14        | % Increase / Decrease | No. of Mills still crushing |
|----------------|---------------------|---------------------|-----------------------|-----------------------------|
|                | Upto April 30, 2015 | Upto April 30, 2014 | During 2014-15        | As on April 30, 2014        |
|                | (Lac MT)            | (Lac MT)            | %                     |                             |
| Maharashtra    | 103.50              | 77.14               | 34.17                 | 40                          |
| UP             | 70.15               | 65.08               | 7.79                  | 18                          |
| Karnataka      | 47.00               | 41.19               | 14.11                 | 25                          |
| Tamil Nadu     | 9.00                | 11.02               | -18.33                | 30                          |
| Gujarat        | 11.35               | 11.75               | -3.40                 | 3                           |
| AP & Telangana | 8.80                | 10.01               | -12.09                | -                           |

|              |               |               |              |            |
|--------------|---------------|---------------|--------------|------------|
| Uttarakhand  | 3.25          | 2.88          | 12.85        | -          |
| Bihar        | 5.23          | 5.91          | -11.51       | -          |
| Punjab       | 5.25          | 4.69          | 11.94        | -          |
| MP           | 4.00          | 3.64          | 9.89         | 12         |
| Others       | 6.21          | 6.12          | 1.47         |            |
| <b>Total</b> | <b>273.74</b> | <b>239.43</b> | <b>14.33</b> | <b>130</b> |

All India sugar production is estimated to be 280 Lac MT during current Sugar Year 2014–15.

**Table 5: Production/demand/stocks - India**

**Unit: Lac MT**

| Particulars                     | 2011-2012 | 2012-2013 | 2013-2014 | 2014-2015   |
|---------------------------------|-----------|-----------|-----------|-------------|
|                                 | Actual    | Actual    | Actual    | (Estimated) |
| A. Opening Stock as on Oct. 01  | 58.54     | 66.01     | 92.98     | 75.00       |
| B. Production during season     | 263.42    | 251.40    | 243.95    | 280.00      |
| C. Imports                      |           | 6.76      | 0.98      | 0.00        |
| D. Total supply availability    | 321.96    | 324.17    | 337.91    | 355.00      |
| E. Offtake :                    |           |           |           |             |
| a) Internal consumption         | 226.03    | 227.71    | 241.15    | 248.00      |
| b) Exports                      | 29.92     | 3.48      | 21.76     | 7.00        |
| <b>Total Offtake</b>            | 255.95    | 231.19    | 262.91    | 255.00      |
| F. Closing Stock as on Sept. 30 | 66.01     | 92.98     | 75.00     | 100.00      |

Due to continued surplus sugar production and arbitrary fixation of cane price by State Government with no linkage to sugar prices, the situation is quite grim. Ideal solution is movement of surplus sugar out of system by way of enhanced exports and linkage of cane price to sugar prices as suggested by Dr. Rangarajan Committee. Certain measures suggested by Industry were taken by the Government but certainly not sufficient enough to address Industry woes:-

- **Increase in import duty**

During August 2014, Import duty on sugar increased from the level of 15% to 25% discouraging imports of sugar in country. Due to depressed international sugar prices (6 year lows), the Government further increased the import duty to 40%.

**Defraying expenditure for incentive towards marketing & promotion services for raw sugar production:**

During February 2015, Government of India extended the incentive towards marketing & promotion services for raw sugar production and notified incentive at ₹ 4000 per MT for exports of up to 1.4 Million MT raw

sugar up to September 30, 2015.

Further, Government of Maharashtra has announced subsidy of ₹ 1000 per MT on production and exports of raw sugar from Maharashtra.

- **Ethanol:** CCEA on December 10, 2014 has fixed the uniform delivered price of ₹ 48.50 – 49.50 per Litre for supply of anhydrous ethanol to depots of oil companies. Government is committed to promoting ethanol blending programme and is taking measures to resolve the difficulties being faced in terms of tender conditions, state excise duty procedures and formalities.

The distance-wise slab for fixation of uniform delivered price of ₹ 48.50 – 49.50 per Litre are as under:

**Table 6: Distance-wise slab for fixation of uniform delivered price**

| Distance of Oil Company Depot from factory gate | Delivered Price   |
|-------------------------------------------------|-------------------|
| Up to 100 KM                                    | ₹ 48.50 per Litre |
| 101 – 300 KM                                    | ₹ 49.00 per Litre |
| Above 300 KM                                    | ₹ 49.50 per Litre |

Basis above decision of CCEA, on December 29, 2014 Expression of Interest (EOI) had been floated by oil companies for a quantity of 97 crore Litres at fixed delivered price of ₹ 48.50 – 49.50 per Litre.

This EOI has a provision that oil companies will keep on floating their requirements from time to time (after every two months) till the month of July 2015.

In fact, Government is pushing the industry to supply more ethanol for blending and have also linked raw sugar incentive with the ethanol production. Sugar units with attached ethanol manufacturing facilities will not be eligible for raw sugar incentive if they are not supplying a minimum 25% of their ethanol production to oil companies.

Ethanol can be one of the areas which can solve the problem of sugar surplus by diverting part of the sucrose content from sugar to ethanol.

Country has a big requirement of ethanol for blending with gasoline and under the mandate of Bio-fuel Policy, Government has set a target to achieve 20% Ethanol blending as against current year estimate of 3% Ethanol blending.

Oil companies require approximately 105 crore Litres at 5% blending level against which during current year, oil companies have got the offers for a quantity of 126 crore Litres and have finalised a quantity of 79 crore Litres.

For blending at 20% level, there is a big requirement of ethanol. Currently ethanol production is done through molasses route in India. Production can be greatly enhanced by using B Heavy Molasses, Secondary Juice / Primary Juice.

This on one hand will give additional availability of ethanol and on the other it will solve the problem of sugar surplus.

#### **Waiver of central excise duty on ethanol**

On April 29, 2015, Cabinet has allowed waiver of Central excise duty on ethanol from next sugar season. This waiver is estimated to give additional saving of approximately ₹ 5.0 per Litre.

#### **• Creation of buffer stock**

Government is considering creation of buffer stock of up to 50 lac MT which will provide financial incentive to the millers in terms of buffer subsidy.

Industry is also pushing the Government to purchase sugar to the tune of 10% which works out to approximately 27-28 Lac MT. This will solve the problem

of cash flow of sugar millers and will reduce the sugar supply in near future which will help in stabilising prices.

However, ideal situation is that cane price should be linked to sugar prices as per Dr. Rangarajan Committee formula. This will ensure fair price to farmers, reasonable margins for sugar millers and timely remittance of cane payment.

#### **• Incentive on exports of white sugar**

To solve the problem of surplus sugar, Government has allowed incentive on raw sugar exports. On similar lines, the industry is urging the Government to allow incentive on white sugar exports as well. During off-season, country will have only white sugar available for exports and at that time raw sugar export incentives will not be of any help.

These measures being taken by the Government are temporary in nature and can help the industry only in the short run. Permanent measure is linkage of sugar cane price to sugar price.

#### **Sugar exports from country**

International Sugar prices continues to be bearish with 6 years low sugar prices.

Such low levels has affected sugar exports from country inspite of big surplus available as exports are unviable at these prices even with export subsidies. Exports during current sugar year (2014-15) till April 30, 2015 :-

- Raw sugar exports: 1.94 Lac MT
- White sugar exports: 1.63 Lac MT

Total sugar exports: 3.57 Lac MT

During the sugar year (2013-14), Sugar Exports has been in excess of 20 Lac MT and achieved the level of 21.7 Lac MT.

As per trade sources, total sugar exports during current sugar year (2014-15) will not cross 6.0 Lac MT and majority will be raw sugar exports.

Should the Indian Government provide incentives on white sugar exports as well, it would increase exports and provide some relief to millers.

#### **Sugar imports in country**

During current sugar year 2014-15, there will hardly be any Sugar Imports in country for sale in domestic market. There are certain policy measures taken by the Government to discourage imports as under :-

- Increase in import duty to 25% during August 2014.
- Cabinet decision further increase in import duty from 25% to 40% on April 29, 2015.



- Time period for re-export of sugar after sugar import under advance authorisation reduced from 18 months to 6 months as decided by the Cabinet on April 29, 2015. This will discourage importers to import sugar under advance licence with zero duty and dump in domestic market as they will have limited time available for re-export.
- Withdrawal of scheme of Duty Free Import Authorisation (DFIA) for sugar as per Cabinet decision on April 29, 2015.

### 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. The major area of concern is the ability to make timely cane price payment to farmers given the unremunerative sugar realisations in the domestic market and further exacerbated by the irrationally high cane price fixed by the state government.

##### 2. Sugar price risk

While cane price is fixed by the state government, sugar realisations are totally market driven and are dependent on demand supply dynamics. This has often led to complete mismatch between the cane price and sugar realisations. This year sugar production is expected to be higher than last year by almost 15% which coupled with earlier high stocks is going to keep the sugar prices under pressure.

##### 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.

#### De-Risking strategy

As part of our business strategy, we are rapidly de-risking our business with the investment in power generation capacity. This business is non-cyclical and therefore expected to generate steady cash flows

year on year. Further, sustained ethanol supplies to oil companies has provided some element of risk mitigation.

#### Market share of BHSL in U.P. and on all India basis during Sugar Year Oct. 2013 - Sept. 2014 for sugar:

|                                 |       |
|---------------------------------|-------|
| Market share in U.P.            | 16.4% |
| Market share on all India basis | 4.4%  |

#### 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 7: Zonewise details of crushing capacity**

| ZONE         | NO. OF MILLS | CRUSHING CAPACITY (TCD) |
|--------------|--------------|-------------------------|
| WEST         | 5            | 48000                   |
| CENTRAL      | 5            | 48000                   |
| EAST         | 4            | 40000                   |
| <b>TOTAL</b> | <b>14</b>    | <b>136000</b>           |

#### 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.

**Central U.P.:** Sugar produced in our Barkhera and Maqsoodapur mills is sold partly in Central U.P. and also in neighbouring states i.e. Punjab, Haryana and Delhi, whereas the sugar produced by Gola, Palia and Khambarkhera mills is sold in Central UP, East UP, Bihar, Bengal, Jharkhand 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 and refinery in West Bengal. For movement of sugar to neighbouring states like Punjab, Haryana, Bihar, UP millers 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.

#### Internal control system and their adequacy

Given the magnitude and nature of its business, the Company needs to maintain sound commercial

practice with an effective internal control system. The system ensures that all transactions are authorised, recorded and reported correctly to safeguard assets and protect them from any loss due to unauthorised use or disposition. The Company employs stringent controls to ensure the safety of its asset against loss and misuse. The transactions and process are guided by delegation of powers and documented policies, guidelines and manuals. Its organisational structure is well defined in terms of structured authority and responsibility at particular levels of the hierarchy. The operation managers make sure that all operations within their area are compliant and safeguarded against all risks. The Company has robust internal audit system. A strong and independent internal audit functions at the corporate level carries out risk focussed audits across the company enabling identification of area where process controls are required to strengthen. Internal Audit function is strengthened by outsourcing audit to two Chartered Accountants' firms. Internal audit of 8 units and Noida office is conducted by M/s. Singhi & Co. and 6 units and Lucknow office is conducted by M/s. L.B. Jha & Co. on quarterly basis. Internal audit reports are prepared to create awareness and to take corrective actions on the respective units or areas, which need rectifications. These reports are then reviewed by the management team and the Audit Committee for follow-up action. Apart from Outsourced Audit firms, the In-house Zonal Internal Audit teams are placed at one of the units of each of the three Zones to coordinate with outsourced audit firms for facilitating Audit, arranging unit comments from auditee & implementation of Audit recommendations.

An illustrative list of scope of activities of in-house areas of Internal Audit is broadly summarised as under:

- Cane centre visits:
  - Review of Cane balances at Centre.
  - Review of extraneous matters in Cane.
- Checking of Cane store records for centre material received back from centre after season end.
- Physical Verification of Store Inventory 100% annually.
- Physical Verification of civic condition of Sugar Godowns & empty Molasses Tanks.
- Checking of Sugar Bagging, weighment and handling.
- Special assignments and Audits assigned from time to time.

The scope of activities of outsourced areas of Internal Audit is broadly summarised as under:

- All types of vouchers and records including adherence of company policy & defined authority levels & contingent liabilities.
- Purchases including Purchase Orders / Work Orders and other Agreements / Contracts.
- Statutory compliances - TDS, Service Tax, PF, Minimum Wages and filing of return etc.
- Cenvat Accounting claims and assessment for excise duty and service tax.
- VAT and Sales Tax - Input Credit and assessment.
- Trial and Ledger Scrutiny including General, Debtors, Creditors and Advances Ledger etc.
- HR, Time office and Security Audit.
- Stores - Material inspection, Store Ledgers, Records, Issues, Inventory and other subsidiary records + surprise checks and verification on sample basis covering 'A' Class items in each quarter.
- Sales of Sugar, Molasses, Bagasse, Pressmud, Ethanol, Alcohol, Power, etc.
- Weighment, Logbooks, Pool Vehicle, Diesel consumption, Guest House expenses, etc.
- Budgetary Controls & MIS, Insurance coverage & claims.
- Compliances of Industrial & other applicable Laws.
- Bank Reconciliation statement, Checking of Interest rate and Bank charges.
- Review of system in place for Physical verification of Fixed Assets, Sugar Stocks and Disposal of Scrap.
- Surprise check covering dispatches of all products including By-products, Log Books and Civic conditions of Sugar Godown, Molasses and Alcohol Tanks and Safety measures etc.

The Internal Audit carries out audit effectively throughout the year covering all areas of operations including the follow-up action. The audit approach is based on random sample selection and takes into consideration the generally accepted business practices.

The Internal Audit reports are first discussed by the Management and subsequently placed before the Audit Committee of the Board of Directors along with the

direction / action plan recommended by the respective Functional Head. The direction is implemented by the respective Head of the Departments and Action Taken Reports are placed before the Audit Committee members in next meeting for their review.

### Human resources/industrial relations

The industrial relations at the Company's Sugar Mills and Head Office were cordial throughout the year under review. 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. Its growth strategies are based on a strong Human Resource (HR) foundation created through a judicious use of innovative and complementary HR processes and systems. HR policies are reviewed, revised and updated from time to time to make it relevant, 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, 2015, BHSL had 7,176 employees.

The various HR initiatives carried out by the Company during the year are listed below:

#### Programmes

- In-house Training & Development - HR department prepares advance training calendar on six monthly bases scheduling 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 average 20–25 persons attends any such training programme session. The major topics covered by our internal training faculty are on cane sowing, Irrigation and Pest Management techniques, Operational Procedure and Skill up-gradation methods, Safety, House-keeping, Fire fighting, Environment Health & Occupational Hazards, Energy Conservation, Attitudinal & Behavioural Management, Taxation, Computer Awareness, Statutory Compliances, Awareness on Health & Occupational Diseases, etc.
- Other Training Programmes (External faculty) - Our organisation provide the external training to their employees by outside expert with specialist knowledge so that the entire team can improve their skills set with relevant, up to date information and techniques learned in an environment that is familiars and conducive to advancement group learning also encourage interaction from the entire group and some surprising techniques can develop that are particularly relevant to their field. It also grow the team and opportunity to interact on a much more personal basis building strongest

bonds between team members and more efficient working environment. We cover the topic related to engineering, production, finance & account, store and H.R. by the external faculties so that the employees of our organisation can update with new techniques, technologies and develop their skill which resulting give impact to their productivity. During year 2014-15, HR dept. of Bajaj Group had organised various training programme through the involvement of various external agencies and training faculties.

- Induction Programmes for New Employees: Induction programmes are regularly conducted at unit level by HR department for all the new employees. This is an interactive programme supplemented by power point presentation about the company.
- Quality Circle - QC movement is adopted by our organisation to create a sense of belongingness among employees by participation in deciding and implementing process thereby helping in cost reduction through optimum utilisation of resources and cutting wastages. It promotes participation culture, team working & development of employees at grassroot level.
- 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, Dussehera, Teej & Lohri festival, Republic Day, Independence Day, Vishwakarma Day, Environment Day, Safety Week (4 March to 10 March), Labour Day (1<sup>st</sup> May), Zonal Cricket Tournament various type of children's events like drawing competition, Fancy Dress Competition, Annual Picnic & Excursion Tours etc.

### Corporate social responsibility

1. **Bajaj Public School (BPS)** - 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 year 2009 and extended its branches in Maqsoodapur, Gola, Palia, Barkhera, Kinauni, Gangnauli, Bilai & Utraula Units in month of April 2010. The school has got affiliated from CBSE up to Class-XII (Science & Commerce).

BPS has so far taken responsibility to nurture positively the delicate & tender minds of approx. 1900 students. School is running as a creative centre for learning & development. It has provided employment to more than 75 people, including

spouses of the employees. BPS solely aims to continuously connect, grow, serve & reach the new horizons.

## 2. Women empowerment (self help groups)

BHSL undertook a project 'Charka' (spinning wheel) to boost women empowerment and rural entrepreneurship. It is not only for improving the economic conditions through income generation but in creating awareness about health & hygiene, sanitation and cleanliness, environmental protection, importance of education & better response for development schemes. The members of the society worked hard over the charkha to spin thread & help the underprivileged people get clothes. The next project was conducting surveys in the adjoining villages of the units and finding out the people who are extremely underprivileged. Their forms were filled so that the society can provide them some help. The society even collected clothes, utensils, footwear, medicines etc. and packed them neatly to give it to those who need it. Even the BHSL employees helped the society in raising funds for their projects. BHSL Women's Society, prepared Mango pickles, Daliya, Papad. Later, these products were sent to all other units and offices of BHSL. Within a few days, the products got so much in demand that the society started receiving orders and dispatching accordingly.

## 3. Other activities

- a. General Medical Checkup, Eye Check-up, Hepatitis-B vaccination camps in Factory Campus and also in neighbouring villages, etc.
- b. Woollen clothes & Blanket distribution among under-privileged class of surrounding areas.
- c. Kanwar Seva Shivir on Mahashivratri Parv.
- d. Distributing Organic Manure on subsidised rates to the farmers.
- e. In winters lighting Alao at every Chauraha by distributing bagasses.
- f. Fogging & Spray for mosquito in nearby villages.
- g. Blood donation camp.
- h. An Eye Check-up camp was arranged in factory hospital, Rudauli in which eye specialists from Sant Kabir Eye Hospital, Basti were present. They had taken various eye tests of most of our employees and suitable medicine/spectacles were provided them on payment. Among the beneficiaries there were various outsiders farmers also.

# IV. Financial Analysis of Operations of the Company

The financial results for the year under review are of 12 months from April 01, 2014 to March 31, 2015, whereas figures for the previous period are of 18 months for the period from October 01, 2012 to March 31, 2014, hence are not comparable.

**Table 8: Operational data**

| Particulars                   | Unit | Year ended March 31, 2015 | 18 months ended March 31, 2014 |
|-------------------------------|------|---------------------------|--------------------------------|
| Cane crushing                 | MMT  | 12.107                    | 24.838                         |
| Sugar recovery                | %    | 9.38                      | 9.20                           |
| Sugar production              | MT   | 11,37,815                 | 22,73,088                      |
| Industrial alcohol production | KL   | 1,25,463                  | 2,54,764                       |
| Molasses production           | MT   | 6,14,634                  | 12,65,184                      |
| Boards production – MDF       | MT   | -                         | 5,676                          |
| Boards production – PB        | MT   | -                         | 2,616                          |
| Power generation              | MW   | 7,78,057                  | 16,15,638                      |

During the year, the production of sugar from sugarcane has decreased to 11,37,815 MT as compared to 22,73,088 MT. The production of Molasses is 6,14,634 MT as compared to 12,65,184 in previous period. The Industrial Alcohol / Ethanol production is at 1,25,463 KL as compared to 2,54,764 KL in previous period. Power generation is at 7,78,057 MW as compared to 16,15,638 MW in previous period.

Looking to the increase in sugarcane crop acreage in sugar season 2014-15, Company took necessary steps to ensure availability of cane so that plants can operate at optimum capacity. Cane crop acreage increased in U.P., resulting increase in the quantity of sugarcane crushed and higher production of sugar and other related products i.e. molasses and power. Average recovery of sugar from sugarcane is at 9.38% as against 9.20% in the previous period. The farmers have again shifted from other crops to sugar cane crop due to higher Fair and Remunerative Price (FRP) and State Advisory Price (SAP) fixed by the Central Government and State Government respectively.

## Results of operations

**Table 9: Summarised financial results**

₹ Crore

| Particulars                                            | Year ended March 31, 2015 | 18 months ended March 31, 2014 |
|--------------------------------------------------------|---------------------------|--------------------------------|
| Revenue                                                | 4,570.12                  | 6,694.06                       |
| Earnings before interest depreciation and tax (EBIDTA) | (115.73)                  | (27.77)                        |
| Finance costs (net)                                    | 741.55                    | 948.57                         |
| Cash profits                                           | (857.28)                  | (976.34)                       |
| Depreciation & amortisation                            | 239.94                    | 531.72                         |
| Profit/(Loss) before tax                               | (1,097.22)                | (1,508.06)                     |
| Tax expenses                                           | -                         | 25.06                          |
| Profit/(Loss) after tax                                | (1,097.22)                | (1,533.12)                     |
| Basic and Diluted earnings per share (₹)               | (17.14)                   | (23.98)                        |

### Turnover

During the year ended March 31, 2015 the Company's total revenue is ₹ 4,570.12 crore as against ₹ 6,694.06 crore in the previous period.

### Analysis of sales

During the year, the Company sold 12,39,186 MT of sugar as against 16,30,924 MT during the previous period. The Company sold 33,684 MT of Molasses as

against 53,883 MT in the previous period. However, Alcohol/Ethanol sales during the year was at 1,09,389 KL as against 2,25,678 KL during the previous period. The Company exported 3,29,277 MW of power during the year as against 7,02,371 MW during the previous period.

Product-wise sales quantity, value and per unit realisation details are given in Table 10:

**Table 10: Sales revenue**

| Particulars     |      | Year ended March 31, 2015 |                  |                             | 18 months ended March 31, 2014 |                  |                             |
|-----------------|------|---------------------------|------------------|-----------------------------|--------------------------------|------------------|-----------------------------|
|                 | Unit | Qty                       | Value<br>₹ Crore | Realisation*<br>₹/MT/KL/ MW | Qty                            | Value<br>₹ Crore | Realisation*<br>₹/MT/KL/ MW |
| Sugar           | MT   | 12,39,186                 | 3,728.71         | 30,090                      | 16,30,924                      | 5,173.52         | 31,721                      |
| Alcohol/Ethanol | KL   | 1,09,389                  | 435.21           | 39,785                      | 2,25,678                       | 802.97           | 35,580                      |
| Molasses        | MT   | 33,684                    | 14.81            | 4,394                       | 53,883                         | 20.34            | 3,775                       |
| Boards - MDF    | MT   | -                         | -                | -                           | 11,865                         | 27.81            | 23,438                      |
| Boards - PB     | MT   | -                         | -                | -                           | 4,807                          | 12.50            | 26,004                      |
| Power           | MW   | 3,29,277                  | 154.76           | 4,700                       | 7,02,371                       | 311.72           | 4,438                       |

\* Includes excise duty

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 government subsidies on cane purchase of ₹ 42.30 crore, sale of renewable energy certificates of ₹ 28.61 crore, lease rent of ₹ 10.06 crore, sale of scrap of ₹ 3.28 crore, duty drawback of ₹ 2.13 crore, sale of export license of ₹ 0.99 crore and other miscellaneous operating income.

### Other income

Other income for the year is ₹ 38.66 crore against ₹ 49.81 crore in the previous period.

The above mainly includes profit on sale of non-current investment ₹ 25.20 crore, gain on sale of assets ₹ 2.62 crore and other miscellaneous receipts.

### Other expenses

During the year, other expenses were ₹ 372.72 crore as against ₹ 666.14 crore in the previous period.

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

The EBIDTA decreased for the year at ₹ (-) 115.73 crore as against ₹ (-) 27.77 crore in the previous period.

### Finance costs

Comparative increase in interest expense was due to higher interest rates and increase in loans for making cane price payments to growers.



## Depreciation & amortisation

The depreciation for the year is ₹ 239.94 crore as against ₹ 531.72 crore in the previous period. During the year the Company has changed its method of providing depreciation from “Written Down Value” method to “Straight Line” method on certain tangible assets. Accordingly, surplus arising from retrospective computation aggregating to ₹ 294.76 crore for the period up to March 31, 2014 has been accounted as per Accounting Standard (AS-6) and disclosed under exceptional items.

## 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 period. However, during the previous period, a short provision of tax of earlier years had been charged of ₹ 13.98 crore and reversal of MAT credit entitlement of earlier year of ₹ 11.08 crore had been made.

## Balance sheet

The summarised Balance Sheet as at March 31, 2015 is given in Table 11.

**Table 11: Summarised balance sheet**

| As at                          | ₹ Crore          |                  |
|--------------------------------|------------------|------------------|
|                                | March 31, 2015   | March 31, 2014   |
| <b>EQUITY AND LIABILITIES</b>  |                  |                  |
| <b>Shareholders' fund</b>      |                  |                  |
| Share capital                  | 81.02            | 63.94            |
| Reserves and surplus           | 1,725.75         | 2,495.30         |
| <b>Sub total</b>               | <b>1,806.77</b>  | <b>2,559.24</b>  |
| <b>Non-current liabilities</b> |                  |                  |
| Long-term borrowings           | 7,111.34         | 2,509.57         |
| Other long-term liabilities    | -                | 179.40           |
| Long-term provisions           | 26.58            | 41.36            |
| <b>Sub total</b>               | <b>7,137.92</b>  | <b>2,730.33</b>  |
| <b>Current liabilities</b>     |                  |                  |
| Short-term borrowings          | 146.21           | 3076.14          |
| Trade payables                 | 2,789.84         | 2,815.92         |
| Other current liabilities      | 102.04           | 1,245.84         |
| Short-term provisions          | 93.79            | 100.94           |
| <b>Sub total</b>               | <b>3,131.88</b>  | <b>7,238.84</b>  |
| <b>TOTAL</b>                   | <b>12,076.57</b> | <b>12,528.41</b> |
| <b>ASSETS</b>                  |                  |                  |
| <b>Non-current assets</b>      |                  |                  |
| <b>Fixed assets</b>            |                  |                  |
| Tangible assets                | 4,889.82         | 4,986.71         |
| Intangible assets              | 0.00             | 0.13             |
| Capital work-in-progress       | 8.26             | 8.14             |
| Non-current investments        | 2,281.71         | 2,431.05         |
| Long-term loans and advances   | 48.08            | 60.57            |
| Other non-current assets       | 3.66             | 1.40             |
| <b>Sub total</b>               | <b>7,231.53</b>  | <b>7,488.00</b>  |

| As at                         | ₹ Crore          |                  |
|-------------------------------|------------------|------------------|
|                               | March 31, 2015   | March 31, 2014   |
| <b>Current assets</b>         |                  |                  |
| Inventories                   | 2,179.29         | 2,673.50         |
| Trade receivables             | 168.99           | 225.48           |
| Cash and bank balances        | 88.07            | 128.24           |
| Short-term loans and advances | 1,773.83         | 1,491.11         |
| Other current assets          | 634.86           | 522.08           |
| <b>Sub total</b>              | <b>4,845.04</b>  | <b>5,040.41</b>  |
| <b>TOTAL</b>                  | <b>12,076.57</b> | <b>12,528.41</b> |

## Share capital

During the year, 17,08,41,266 equity shares of ₹ 1/- have been issued at a premium of ₹ 20.77 per share for consideration other than cash to lender banks on conversion of Funded Interest Term Loan (FITL) as per Master Restructuring Agreement (MRA).

## Reserves and surplus

Reserves and surplus has been down to ₹ 1,725.75 crore as at March 31, 2015 from ₹ 2,495.30 crore as at March 31, 2014 mainly due to current year losses and increased by ₹ 354.43 crore (net of related issue expenses) on issue of 17,08,41,266 equity shares at a premium of ₹ 20.77 per share for consideration other than cash to lender banks on conversion of Funded Interest Term Loan (FITL) as per Master Restructuring Agreement (MRA).

## Long-term borrowings

Long-term borrowings was at ₹ 7,111.34 crore as at March 31, 2015 as against ₹ 2,509.57 crore in the previous period ended March 31, 2014. During the year 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 existing 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 MRA. The cut-off date for restructuring under JLF route was July 31, 2014.

## Short-term borrowings

Short-term borrowings stood at ₹ 146.21 crore as at March 31, 2015 as against ₹ 3,076.14 crore in the previous period ended March 31, 2014. During the year the relevant existing facilities of the Company have been restructured through JLF route w.e.f. August 01, 2014. As per the terms of MRA, interest payable on the term loan for the period from August 01, 2014 to July 31, 2016 would be converted into Funded Interest

Term Loan (FITL). 70% of FITL shall be converted into equity. Part of the FITL, has been converted into equity by allotment of 17,08,41,266 equity shares to lenders on March 30, 2015 out of balance ₹ 146.21 crore FITL up to March 31, 2015 ₹ 14.18 crore converted on May 15, 2015.

### Fixed assets

Gross Block has decreased to ₹ 7,288.97 crore from ₹ 7,298.09 crore, on account of routine capitalisation/de-capitalisation during the year. The net block stood at ₹ 4,889.82 crore as against ₹ 4,986.84 crore. During the year Company has changed its method of providing depreciation from "Written Down Value" method to "Straight Line" method on certain tangible assets. Accordingly, surplus arising from retrospective computation aggregating to ₹ 294.76 crore for the period up to March 31, 2014 has been accounted as per Accounting Standard (AS-6). Further, Company had made a provision for impairment of fixed assets of ₹ 148.02 crore for its board division. Pursuant to the enactment of Companies Act, 2013, the Company has applied the estimated useful lives as specified in Schedule II to tangible fixed assets. Accordingly the unamortised carrying value is being depreciated/mortised over the revised/remaining useful lives. The written down value of fixed assets whose lives have expired as at April 01, 2014 of ₹ 15.16 crore have been adjusted in the opening balance of statement of Profit and Loss.

### Investments

During the year, the Company has invested ₹ 4.86 crore in Lalitpur Power Generation Company Limited (Associate), by subscribing to 97,200 equity shares of ₹ 10/- each at a premium of ₹ 490/- per share. Further the Company has transferred balance investment in Bajaj Energy Private Limited to a promoter group company against which advance received in the previous year pursuant to an MoU for sale of shares with the company.

### Inventories

The inventory of sugar at the end of the year was 6,87,709 MT equivalent to 203 days' sales as compared to 265 days' sales in the previous period. Alcohol inventory at the end of the period was 51,356 KL equivalent to 171 days' sales as compared to 87 days' sales in the previous year.

The inventories of MDF and PB at the end of the year are Nil.

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

In line with the Company's focus on effective working capital management, vigorous efforts were made to recover dues from debtors. The debtors at the end of the year were equivalent to 13 days' of sales as compared to 18 days' of sales in the previous period ended March 31, 2014.

### Significant non-recurring income, expenditure and other items

#### Income

Profit on sale of non-current investment ₹ 25.20 crore, gain on sale of assets ₹ 2.62 crore, and provision no longer required/credit balance appropriated ₹ 0.92 crore were of a non-recurring nature.

#### Exceptional items

An exceptional item includes ₹ 294.76 crore written back of depreciation due to change of method, ₹ 148.02 crore impairment of fixed assets of board division and ₹ 142.91 crore written off of current assets.

#### Expenditure

The loss on assets sold/discarded ₹ 0.34 crore and loss due to foreign currency fluctuation ₹ 6.01 crore are of a non-recurring nature.

### Contingent liabilities

The status of contingent liabilities as at March 31, 2015 has been reviewed by the management. Efforts are being made for speedy settlement of pending cases.

### 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, 2015 are given in Table 12:

**Table 12: Cane crushing, sugar recovery and sugar production**

| Plant Location   | Zone       | 2014-15*            |                    |                           | 2012-14**           |                    |                           |
|------------------|------------|---------------------|--------------------|---------------------------|---------------------|--------------------|---------------------------|
|                  |            | Cane Crushing (MMT) | Sugar Recovery (%) | Sugar Production (Tonnes) | Cane Crushing (MMT) | Sugar Recovery (%) | Sugar Production (Tonnes) |
| Gola Gokarannath | Central UP | 1.369               | 9.77               | 1,34,278                  | 2.896               | 9.65               | 2,76,914                  |
| Palia Kalan      | Central UP | 1.153               | 9.13               | 1,03,206                  | 2.262               | 8.83               | 2,00,602                  |
| Khambarkhera     | Central UP | 1.041               | 9.83               | 1,00,648                  | 1.998               | 9.54               | 1,90,342                  |
| Barkhera         | Central UP | 0.670               | 9.30               | 62,286                    | 1.573               | 8.73               | 1,37,933                  |
| Maqsoodapur      | Central UP | 0.542               | 10.06              | 54,513                    | 1.410               | 8.89               | 1,25,781                  |
| Kinauni          | Western UP | 1.450               | 9.15               | 1,32,752                  | 2.558               | 8.82               | 2,23,356                  |
| Thanabhawan      | Western UP | 0.921               | 8.96               | 82,855                    | 1.718               | 8.70               | 1,48,276                  |
| Budhana          | Western UP | 1.245               | 9.33               | 1,16,182                  | 1.911               | 9.08               | 1,73,161                  |
| Bilal            | Western UP | 0.976               | 10.07              | 98,145                    | 1.814               | 9.85               | 1,78,054                  |
| Gangnauli        | Western UP | 0.460               | 8.86               | 40,848                    | 1.052               | 8.57               | 91,228                    |
| Pratappur        | Eastern UP | 0.288               | 9.20               | 27,075                    | 0.768               | 9.67               | 73,675                    |
| Rudauli          | Eastern UP | 0.415               | 8.90               | 37,768                    | 1.031               | 9.19               | 93,960                    |
| Utraula          | Eastern UP | 0.627               | 9.19               | 58,659                    | 1.447               | 9.39               | 1,34,787                  |
| Kundarkhi        | Eastern UP | 0.950               | 9.16               | 88,600                    | 2.400               | 9.45               | 2,25,019                  |
| <b>Total</b>     |            | <b>12.107</b>       | <b>9.38</b>        | <b>11,37,815</b>          | <b>24.838</b>       | <b>9.20</b>        | <b>22,73,088</b>          |

\* 2014-15 Period covered from April 2014 to March 2015.

\*\* 2012-14 Period covered from October 2012 to March 2014, covered mostly two crushing seasons.

### Distillery division

The distillery division produced 1,25,463 KL of Industrial Alcohol/Ethanol against 2,54,764 KL in the previous period. Likewise Alcohol/Ethanol sales aggregated 1,09,389 KL against 2,25,678 KL in the previous period. In value terms, the sale of Industrial Alcohol/Ethanol during the year is ₹ 435.21 crore as against ₹ 802.97 crore in the previous period.

### Power division

The sale of power was recorded at ₹ 154.76 crore in the current year as against ₹ 311.72 crore in the previous period. 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

The financial statements have been prepared in compliance with the requirements of the Companies Act, 2013 and Generally Accepted Accounting Principles

in India. The management of Bajaj Hindusthan Sugar Limited accepts responsibility for the integrity and objectivity of these financial statements, as well as for various estimates/judgements used in preparation of these statements. The estimates and/or judgements have been made on a consistent, reasonable and prudent basis to reflect a true and fair picture of the financial performance of the Company.

### 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.*

# CEO / CFO Certification

The Board of Directors,  
Bajaj Hindusthan Sugar Limited,  
Mumbai

## **Re: Financial Statements for the financial year ended March 31, 2015 – Certification by CEO and CFO**

We, Kushagra Bajaj, Chairman & Managing Director and Ved Prakash Agrawal, Chief Financial Officer of Bajaj Hindusthan Sugar Limited, on the basis of the review of the financial statements and the cash flow statement for the financial year ended March 31, 2015 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, 2015, which are fraudulent, illegal or violative of the Company's code of conduct.
4. We accept responsibility for establishing and maintaining internal controls and we have evaluated the effectiveness of the internal control systems of the Company. We have disclosed to the auditors and the Audit Committee those deficiencies, of which we are aware, in the design or operation of the internal control systems and that we have taken the required steps to rectify these deficiencies.
5. We have indicated to the Auditors and the Audit Committee:
  - (a) there have been no significant changes in internal control over financial reporting during the year;
  - (b) there have been no significant changes in accounting policies made during the year; and that the same have been disclosed in the notes to the financial statements; and
  - (c) there have been no instances of significant fraud of which we have become aware and the involvement therein, of management or an employee having significant role in the Company's internal control systems over financial reporting.

**Kushagra Bajaj**

Chairman & Managing Director  
(DIN: 00017575)

**Ved Prakash Agrawal**

Chief Financial Officer

Place : Mumbai

Dated: May 28, 2015

# Independent Auditors' Report

To

The Members of  
Bajaj Hindusthan Sugar  
Limited

## Report on the Financial Statements

We have audited the accompanying financial statements of **BAJAJ HINDUSTHAN SUGAR LIMITED**

("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

## Management's responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of the appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and fair presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

## Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2015, and its loss and its cash flows for the year ended on that date.

## Emphasis of matter

1. We draw attention to note 36 (l) (a) (iv) and note 40 of the accompanying financial statements in respect of contingency related to recompense payable in lieu of bank sacrifice, the outcome of which is materially uncertain and cannot be determined currently.
2. As stated in note 42 of the accompanying financial statements, the Company carries investment of ₹ 693.72 crore by way of beneficial interest in trust. Also, Company has investment of ₹ 720.52 crore in Preference shares and Debentures of Phenil Sugars Limited. The realisable value of these investments has reduced substantially. For the reasons stated in the notes and in view of long term nature of these investments, management does not expect any provision for permanent diminution in value of these investments.

## Report on other legal and regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("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 statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - c. The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account.
  - d. In our opinion, the aforesaid financial statements comply with the accounting standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

- e. On the basis of written representations received from the directors as on March 31, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of Section 164(2) of the Act.
- f. With respect to the other matters to be included in the Auditor's Report in accordance with Rules 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer note 36(l)(a) to the financial statements.
  - ii. The Company did not have any long-term contracts including derivative contracts that require provision under any law or accounting standards for which there were any material foreseeable losses.
  - iii. There were no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company during the year.

For **Chaturvedi & Shah**  
Chartered Accountants  
Registration No.: 101720W

**Amit Chaturvedi**  
Partner  
Membership No. 103141

Place: Mumbai  
Dated: May 28, 2015

**ANNEXURE REFERRED TO IN PARAGRAPH 1  
UNDER THE HEADING REPORT ON OTHER  
LEGAL AND REGULATORY REQUIREMENTS OF  
OUR REPORT OF EVEN DATE**

- i) In respect of its Fixed Assets :
  - a) The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets on the basis of available information.
  - b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
- ii) In respect of its inventories:
  - a) The inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
  - b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
  - c) The Company has maintained proper records of inventories. As explained to us, there were no material discrepancies noticed on physical verification of inventories as compared to the book records.
- iii) On the basis of the audit procedures applied by us, and according to the information and explanations given to us on our enquiries on this behalf and records produced to us for our verification, the Company has not given loans and advances to companies covered in the register maintained under Section 189 of the Act.
- iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and nature of its business for the purchases of inventories and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in such internal control system.
- v) According to the information and explanations given to us, the Company has not accepted any deposits within the meaning of provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Therefore, the provisions of Clause (v) of paragraph 3 of the Order are not applicable to the Company.
- vi) To the best of our knowledge and as explained, the Company has maintained the cost records specified under Companies (Cost Records and Audit) Rules, 2014 issued under sub Section (1) of Section 148 of the Act, in respect of Company's product to which the said rules are made applicable and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the records with a view to determine whether they are accurate.
- vii) In respect of Statutory dues :
  - a) According to the records of the Company, undisputed statutory dues including Provident Fund, Income Tax, Sales Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other statutory dues applicable to it have been regularly deposited with appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2015 for a period of more than six months from the date of becoming payable.
  - b) On the basis of our examination of accounts and documents on records of the Company and information and explanations given to us upon enquiries in this regard, the disputed amounts payable in respect of Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty and Excise Duty/Cess not deposited with the appropriated authorities are as under:

| Name of statute                                                           | Nature of dues             | Amount (₹ in crore) | Period                                                 | Forum where dispute is pending                     |
|---------------------------------------------------------------------------|----------------------------|---------------------|--------------------------------------------------------|----------------------------------------------------|
| Central Sales Tax Act, 1956, and Sales Tax Act/ VAT Act of various states | Sales Tax, VAT & Entry Tax | 2.80                | Various Years from 1997-98 to 2013-14                  | Deputy/ Joint Commissioner/ Commissioner (Appeals) |
|                                                                           |                            | 57.50               | Various Years 1982-83 to 2013-14                       | Sales Tax Appellate Tribunal                       |
|                                                                           |                            | 3.52                | Various Years from 1989-90 to 2010-11                  | High Court                                         |
| Central Excise Act, 1944                                                  | Excise and Service Tax     | 1.26                | Various Years from 1981-82 to 2012-13                  | Commissioner of Central Excise (Appeals)           |
|                                                                           |                            | 18.74               | Various Years from 2002-03 to 2012-13                  | Central Excise and Service tax Tribunal            |
|                                                                           |                            | 0.31                | Various Years from 1981-82 to 2010-11                  | High Court                                         |
|                                                                           |                            | 5.59                | Various Years from 2004-05 to 2005-06                  | Supreme Court                                      |
| Income Tax Act, 1961                                                      | Income Tax                 | 9.59                | Assessment Years 2006-07 & 2007-08                     | Commissioner of Income Tax (Appeal)                |
|                                                                           |                            | 8.90                | Various Assessment Years from 2010-11 to 2015-16 (TDS) | Commissioner of Income Tax (Appeal)                |
|                                                                           | Total                      | 108.21              |                                                        |                                                    |

- c) There were no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company during the year.
- viii) The Company's accumulated losses at the end of the financial year are more than fifty percent of its net worth. The Company has incurred cash losses during the financial year covered by the audit and in the immediately preceding financial year.
- ix) Based on our audit procedures, information and explanations given by the management and considering the corrective action plan for restructuring of existing credit facilities of

the Company approved under JLF route in accordance with the applicable framework and guidelines issued by RBI, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions and banks. The Company has not issued debentures.

- x) In our opinion and according to the information and explanations given to us, the Company has given guarantee for loans taken by subsidiary/ associate from Banks. The terms and conditions where of in our opinion are not prima facie prejudicial to the interest of the Company.
- xi) Based on the information and explanation given to us by the management, the term loans were applied for the purpose for which the loans were obtained.
- xii) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we have not come across any instance of material fraud on or by the Company, noticed or reported during the period, nor have been informed of such case by the management.

For **Chaturvedi & Shah**  
Chartered Accountants  
Registration No.: 101720W

**Amit Chaturvedi**  
Partner  
Membership No. 103141

Place: Mumbai

Dated: May 28, 2015

## Balance Sheet as at March 31, 2015

| Particulars                    | Note | As at<br>March 31, 2015<br>₹ Crore | As at<br>March 31, 2014<br>₹ Crore |
|--------------------------------|------|------------------------------------|------------------------------------|
| <b>EQUITY AND LIABILITIES:</b> |      |                                    |                                    |
| <b>Shareholders' funds</b>     |      |                                    |                                    |
| Share capital                  | 3    | 81.02                              | 63.94                              |
| Reserves and surplus           | 4    | 1,725.75                           | 2,495.30                           |
| <b>Sub total</b>               |      | <b>1,806.77</b>                    | <b>2,559.24</b>                    |
| <b>Non-current liabilities</b> |      |                                    |                                    |
| Long-term borrowings           | 5    | 7,111.34                           | 2,509.57                           |
| Other long-term liabilities    | 7    | -                                  | 179.40                             |
| Long-term provisions           | 8    | 26.58                              | 41.36                              |
| <b>Sub total</b>               |      | <b>7,137.92</b>                    | <b>2,730.33</b>                    |
| <b>Current liabilities</b>     |      |                                    |                                    |
| Short-term borrowings          | 9    | 146.21                             | 3,076.14                           |
| Trade payables                 | 10   | 2,789.84                           | 2,815.92                           |
| Other current liabilities      | 11   | 102.04                             | 1,245.84                           |
| Short-term provisions          | 12   | 93.79                              | 100.94                             |
| <b>Sub total</b>               |      | <b>3,131.88</b>                    | <b>7,238.84</b>                    |
| <b>Total</b>                   |      | <b>12,076.57</b>                   | <b>12,528.41</b>                   |
| <b>ASSETS:</b>                 |      |                                    |                                    |
| <b>Non-current assets</b>      |      |                                    |                                    |
| Fixed assets                   |      |                                    |                                    |
| Tangible assets                | 13   | 4,889.82                           | 4,986.71                           |
| Intangible assets              | 13   | 0.00                               | 0.13                               |
| Capital work-in-progress       | 13   | 8.26                               | 8.14                               |
| Non-current investments        | 14   | 2,281.71                           | 2,431.05                           |
| Deferred tax assets (net)      | 6    | -                                  | -                                  |
| Long-term loans and advances   | 15   | 48.08                              | 60.57                              |
| Other non-current assets       | 16   | 3.66                               | 1.40                               |
| <b>Sub total</b>               |      | <b>7,231.53</b>                    | <b>7,488.00</b>                    |
| <b>Current assets</b>          |      |                                    |                                    |
| Inventories                    | 17   | 2,179.29                           | 2,673.50                           |
| Trade receivables              | 18   | 168.99                             | 225.48                             |
| Cash and bank balances         | 19   | 88.07                              | 128.24                             |
| Short-term loans and advances  | 20   | 1,773.83                           | 1,491.11                           |
| Other current assets           | 21   | 634.86                             | 522.08                             |
| <b>Sub total</b>               |      | <b>4,845.04</b>                    | <b>5,040.41</b>                    |
| <b>Total</b>                   |      | <b>12,076.57</b>                   | <b>12,528.41</b>                   |

See accompanying notes (1 to 48) to the financial statements.

As per our report of even date

For and on behalf of the Board

**For Chaturvedi & Shah**

Firm Registration No.: 101720W  
Chartered Accountants

**Kushagra Bajaj**  
Chairman & Managing Director

**Amit Chaturvedi**

Partner  
Membership No. 103141

Mumbai, May 28, 2015

**Ved Prakash Agrawal**  
Chief Financial Officer

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

**M. L. Apte**  
**R. V. Ruia**  
**D. K. Shukla**  
**A. K. Gupta**  
**Kiran Anuj**  
Directors



## Statement of Profit and Loss for the year ended March 31, 2015

| Particulars                                                   | Note | Year ended<br>March 31, 2015<br>₹ Crore | 18 months ended<br>March 31, 2014<br>₹ Crore |
|---------------------------------------------------------------|------|-----------------------------------------|----------------------------------------------|
| <b>INCOME:</b>                                                |      |                                         |                                              |
| Revenue from operations                                       | 22   | <b>4,531.46</b>                         | 6,644.25                                     |
| Other income                                                  | 23   | <b>38.66</b>                            | 49.81                                        |
| <b>Total Income</b>                                           |      | <b>4,570.12</b>                         | 6,694.06                                     |
| <b>EXPENSES:</b>                                              |      |                                         |                                              |
| Purchases and materials consumed                              | 24   | <b>3,704.54</b>                         | 7,815.33                                     |
| Changes in inventories of finished goods and work-in-progress | 25   | <b>432.75</b>                           | (2,075.88)                                   |
| Employee benefits expense                                     | 26   | <b>179.67</b>                           | 316.24                                       |
| Finance costs (net)                                           | 27   | <b>741.55</b>                           | 948.57                                       |
| Depreciation and amortisation expense                         | 28   | <b>239.94</b>                           | 531.72                                       |
| Other expenses                                                | 29   | <b>372.72</b>                           | 666.14                                       |
| <b>Total Expenses</b>                                         |      | <b>5,671.17</b>                         | 8,202.12                                     |
| <b>Profit/(Loss) before exceptional items and tax</b>         |      | <b>(1,101.05)</b>                       | (1,508.06)                                   |
| Exceptional items (refer note 45)                             |      | <b>(3.83)</b>                           | -                                            |
| <b>Profit/(Loss) before tax</b>                               |      | <b>(1,097.22)</b>                       | (1,508.06)                                   |
| <b>Tax Expenses</b>                                           |      |                                         |                                              |
| Current tax                                                   |      | -                                       | -                                            |
| Deferred tax                                                  |      | -                                       | -                                            |
| Reversal of MAT credit entitlement of earlier year            |      | -                                       | 11.08                                        |
| Tax relating to earlier years                                 |      | -                                       | 13.98                                        |
|                                                               |      | -                                       | 25.06                                        |
| <b>Profit/(Loss) after tax</b>                                |      | <b>(1,097.22)</b>                       | (1,533.12)                                   |
| <b>Earnings per equity share of face value of ₹ 1/- each</b>  |      |                                         |                                              |
| Basic and Diluted                                             | 37   | <b>(17.14)</b>                          | (23.98)                                      |

See accompanying notes (1 to 48) to the financial statements.

As per our report of even date

**For Chaturvedi & Shah**  
Firm Registration No.: 101720W  
Chartered Accountants

For and on behalf of the Board

**Kushagra Bajaj**  
Chairman & Managing Director

**Amit Chaturvedi**  
Partner  
Membership No. 103141  
Mumbai, May 28, 2015

**Ved Prakash Agrawal**  
Chief Financial Officer

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

**M. L. Apte**  
**R. V. Ruia**  
**D. K. Shukla**  
**A. K. Gupta**  
**Kiran Anuj**  
Directors

## Cash Flow Statement for the year ended March 31, 2015

| Particulars                                                                      | Year ended<br>March 31, 2015<br>₹ Crore | 18 months ended<br>March 31, 2014<br>₹ Crore |
|----------------------------------------------------------------------------------|-----------------------------------------|----------------------------------------------|
| <b>A. Cash flow from operating activities:</b>                                   |                                         |                                              |
| Net profit/ (loss) before tax                                                    | (1,097.22)                              | (1,508.06)                                   |
| Adjustment for:                                                                  |                                         |                                              |
| Depreciation and amortisation                                                    | 239.94                                  | 531.72                                       |
| Reversal of depreciation due to change in method of depreciation                 | (294.76)                                | -                                            |
| Impairment of fixed assets                                                       | 148.02                                  | -                                            |
| Unrealised (gain) / loss due to foreign exchange fluctuation                     | (14.67)                                 | 18.40                                        |
| Loss/ (surplus) on sale of fixed assets (net)                                    | (2.28)                                  | (15.14)                                      |
| Finance costs                                                                    | 888.94                                  | 1,127.50                                     |
| Dividend received (Nil, P.Y. ₹ 2/-)                                              | -                                       | (0.00)                                       |
| Profit on sale of non current investment                                         | (25.20)                                 | (26.29)                                      |
| Loss on sale of non current investment                                           | -                                       | 0.01                                         |
| Interest income                                                                  | (147.39)                                | (178.93)                                     |
| Employee's compensation expenses (ESOP cost)                                     | (13.54)                                 | (1.76)                                       |
|                                                                                  | <u>779.06</u>                           | <u>1,455.51</u>                              |
| Operating profit/ (loss) before working capital changes                          | (318.16)                                | (52.55)                                      |
| Adjustment for:                                                                  |                                         |                                              |
| Trade and other receivables                                                      | (43.23)                                 | (70.71)                                      |
| Inventories                                                                      | 494.21                                  | (2,115.26)                                   |
| Trade and other payables                                                         | (495.87)                                | 3,306.00                                     |
| Cash generated from operations                                                   | <u>(363.05)</u>                         | <u>1,067.48</u>                              |
| Direct taxes paid                                                                | 15.32                                   | 2.16                                         |
| <b>Net cash from/ (used in) operating activities</b>                             | <u>(347.73)</u>                         | <u>1,069.64</u>                              |
| <b>B. Cash flow from investing activities:</b>                                   |                                         |                                              |
| Purchase of fixed assets                                                         | (14.90)                                 | (39.22)                                      |
| Sale of fixed assets                                                             | 8.41                                    | 19.77                                        |
| Purchase of investments                                                          | -                                       | (280.30)                                     |
| Sale of investments                                                              | -                                       | 75.92                                        |
| Movement in loans and advances                                                   | (214.37)                                | (343.88)                                     |
| Dividend received (Nil, P.Y. ₹ 2/-)                                              | -                                       | 0.00                                         |
| Interest received                                                                | 27.67                                   | 17.15                                        |
| Share application money/advance against share application money (given/refunded) | -                                       | 67.14                                        |
| <b>Net cash (used in) investing activities</b>                                   | <u>(193.19)</u>                         | <u>(483.42)</u>                              |
| <b>C. Cash flow from financing activities:</b>                                   |                                         |                                              |
| Proceeds from long-term borrowings                                               | 457.23                                  | 1,972.42                                     |
| Repayment of long-term borrowings                                                | (431.34)                                | (1,195.59)                                   |
| Proceeds from short-term borrowings (net of repayments)                          | 837.14                                  | (262.95)                                     |
| Share issue expenses                                                             | (0.41)                                  | -                                            |
| Interest paid                                                                    | (387.44)                                | (1,145.45)                                   |
| Dividend paid (including tax thereon)                                            | (0.10)                                  | (7.04)                                       |
| <b>Net cash from/ (used in) financing activities</b>                             | <u>475.08</u>                           | <u>(638.61)</u>                              |
| Net increase/(decrease) in cash and cash equivalents                             | <u>(65.84)</u>                          | <u>(52.39)</u>                               |
| Cash and cash equivalents (opening balance)                                      | 125.77                                  | 178.16                                       |
| <b>Cash and cash equivalents (closing balance) - refer note 19</b>               | <u>59.93</u>                            | <u>125.77</u>                                |

Notes:

- The above cash flow statement has been prepared under the "Indirect Method" as per Accounting Standard -3.
- Figures in brackets indicate cash outflow and without brackets indicate cash inflow.

As per our report of even date

For and on behalf of the Board

**For Chaturvedi & Shah**  
Firm Registration No.: 101720W  
Chartered Accountants

**Kushagra Bajaj**  
Chairman & Managing Director

**Amit Chaturvedi**  
Partner  
Membership No. 103141

**Ved Prakash Agrawal**  
Chief Financial Officer

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

**M. L. Apte**  
**R. V. Ruia**  
**D. K. Shukla**  
**A. K. Gupta**  
**Kiran Anuj**  
Directors

Mumbai, May 28, 2015

## Notes forming part of financial statements

### 1. Corporate information

Bajaj Hindusthan Sugar Limited ('the Company') is a public limited company incorporated in India. Its shares are listed on Bombay Stock Exchange and National Stock Exchange. The Company is engaged in the manufacture of sugar, alcohol and generation of power.

The name of the Company has been changed from Bajaj Hindusthan Limited to Bajaj Hindusthan Sugar Limited w.e.f. January 30, 2015.

### 2. Significant accounting policies

#### 2.1 Basis of accounting:

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under Section 133 of the Companies Act 2013 ('the Act'), read together with paragraph 7 of the Companies (Accounts) Rules, 2014.

The financial statements have been prepared on an accrual basis and under the historical cost convention, except for certain fixed assets which are carried at revalued amounts. The financial statements are presented in Indian rupees rounded off to the nearest rupees in crore.

#### 2.2 Use of estimates:

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in current and future periods.

#### 2.3 Current–non-current classification:

All assets and liabilities are classified into current and non-current.

##### Assets:

An asset is classified as current when it satisfies any of the following criteria:

- it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;

- it is expected to be realised within 12 months after the reporting date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

##### Liabilities:

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within 12 months after the reporting date; or
- the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counter party, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

#### 2.4 Operating cycle:

All assets and liabilities have been classified as current or 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 the time between the acquisition of assets for providing of services and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non-current classification of assets and liabilities.

#### 2.5 Revenue recognition:

- Revenue is recognised when the significant risk and rewards of ownership of the goods have been passed to the buyers. Sale of goods is exclusive of excise and sales tax/VAT. Sales excludes captive consumption.
- The revenue from sale of renewable energy certificates (REC) recognised in the year of sale.
- Export incentive in the nature of duty draw back or "Duty Entitlement Pass Book" under "Duty Exemption Scheme" is accounted for in the year of Export.

- (iv) Dividend income is recognised when the right to receive payment is established.
- (v) Interest income is recognised on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

## 2.6 Fixed assets and depreciation:

### (a) Fixed Assets:

- (i) Fixed assets are carried at cost of acquisition or construction cost and includes amount added on fair valuation, less accumulated depreciation (except freehold land), amortisation and impairment loss if any.
- (ii) 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.

### (b) Depreciation:

- (i) Depreciation on tangible fixed assets has been provided based on the useful life prescribed in Schedule II of the Companies Act, 2013 in the manner stated therein. Intangible assets represented by computer software is being amortised over a period of five years. Leasehold land is amortised over the lease period.
- (ii) Depreciation on assets added, sold or discarded during the year has been provided on pro-rata basis.

## 2.7 Investments:

Long-term investments are stated at cost of acquisition. Diminution in value of such long term investments is not provided for except where determined to be of permanent nature. Current investments are stated at lower of cost or fair market value.

## 2.8 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 is valued at cost or net realisable value whichever is lower.
- (iii) Stores, Spares and Packing material are valued at cost. Cost is arrived at on Weighted Average Basis.

- (iv) Obsolete stores and spares when identified and technically determined, are valued at estimated realisable value.

- (v) By-products - Molasses and Bagasse has been valued at estimated realisable value.

- (vi) Trial run inventories are valued at cost or estimated realisable value whichever is lower.

## 2.9 Research and development:

Revenue expenditure on Research and Development is expensed out in the statement of profit and loss for the year.

Capital expenditure on Research and Development is shown as an addition to Fixed Assets.

## 2.10 Government grants:

Government grants / subsidies received towards specific fixed assets have been deducted from the gross value of the concerned fixed assets and grant / subsidies received during the year towards revenue expenses have been reduced from respective expenses. Capital Subsidies under Sugar Promotion Policy, 2004 is recognised to the extent the claims are accepted and settled.

Government grants / subsidies related to cane purchased are recognised as and when Company becomes eligible.

## 2.11 Foreign currency transactions:

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, the exchange difference relating to acquisition of capital assets, has been adjusted to the capital assets.

In case of items which are covered by forward exchange contracts, the difference between the year end rate and rate on the date of the contract is recognized as exchange difference and the premium paid on forward contract is recognised over the life of the contract. In case of other financial derivative contracts, premiums paid, gains/ losses on settlement and provision for losses, are recognised in the statement of profit and loss.

## 2.12 Employee benefits:

### (a) 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.

### (b) Post employment benefits:

#### (i) Defined contribution plans:

Company's contribution to the superannuation scheme, pension under Employees' Pension Scheme, 1995 etc. are recognised during the year in which the related service is rendered.

#### (ii) Defined benefit plans:

##### - Gratuity:

Gratuity liability is covered under the Gratuity-cum-Insurance Policy of Life Insurance Corporation of India (LIC). The present value of the obligation is determined based on an actuarial valuation, using the Projected Unit Credit Method. Actuarial gains and losses arising on such valuation are recognised immediately in the statement of Profit and Loss. 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.

##### - Provident Fund:

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.

### (c) Long-term compensated absences are provided on the basis of actuarial valuation.

### (d) Compensation to employees under Voluntary Retirement Scheme is charged to Profit and Loss Account in the year of accrual.

## 2.13 Borrowing cost:

Borrowing cost attributable to acquisition and construction of assets are capitalised as part of the cost of such assets up to the date

when such assets are ready for intended use and other borrowing costs are charged to statement of profit and loss.

## 2.14 Operating leases:

Assets acquired under leases other than finance leases are classified as operating leases. The total lease rentals (including scheduled rental increases) in respect of an asset taken on operating lease are charged to the statement of profit and loss on a straight line basis over the lease term unless another systematic basis is more representative of the time pattern of the benefit. Initial direct costs incurred specifically for an operating lease are deferred and charged to the statement of profit and loss over the lease term.

Assets given by the Company under operating lease are included in fixed assets. Lease income from operating leases is recognised in the statement of profit and loss on a straight line basis over the lease term unless another systematic basis is more representative of the time pattern in which benefit derived from the leased asset is diminished. Costs, including depreciation, incurred in earning the lease income are recognised as expenses. Initial direct costs incurred specifically for an operating lease are deferred and recognised in the statement of profit and loss over the lease term in proportion to the recognition of lease income.

## 2.15 Earnings per share (EPS):

Basic EPS is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the year.

## 2.16 Provision for current and deferred tax:

(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 relevant to the respective 'Previous Year'. Minimum Alternate Tax (MAT) eligible for set-off in subsequent years (as per tax laws), is recognised as an asset by way of credit to the statement of profit and loss only if there is convincing evidence of its realisation. At each Balance Sheet date, the carrying amount of MAT Credit Entitlement receivable is reviewed to reassess realisation.

- (ii) Deferred tax resulting from 'timing difference' between book and taxable profit for the year is accounted for using the current tax rates. The deferred tax asset is recognised and carried forward only to the extent that there is a reasonable certainty that the assets will be adjusted in future. However, in case of deferred tax assets (representing unabsorbed depreciation or carry forward losses) are recognized, if and only if there is a virtual certainty that there would be adequate future taxable income against which such deferred tax assets can be realised, or to the extent of deferred tax liabilities.

2.17 Impairment of assets:

The carrying amount of assets 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. 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.

2.18 Provisions, contingent liabilities and contingent assets:

Provisions involving a substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent assets are neither recognised nor disclosed in the financial statements.

2.19 Employee stock options and shares plan (ESOP):

In accordance with SEBI guidelines, the excess of the market price of the shares, at the date of grant of options under the ESOP, over the exercise price, is treated as Employee Compensation Expense.

|                                                             | As at<br>March 31, 2015<br>₹ Crore | As at<br>March 31, 2014<br>₹ Crore |
|-------------------------------------------------------------|------------------------------------|------------------------------------|
| <b>3. Share capital</b>                                     |                                    |                                    |
| <b>Authorised:</b>                                          |                                    |                                    |
| 2,71,00,00,000 (2,71,00,00,000) Equity Shares of ₹ 1/- each | 271.00                             | 271.00                             |
|                                                             | <u>271.00</u>                      | <u>271.00</u>                      |
| <b>Issued:</b>                                              |                                    |                                    |
| 85,59,12,599 (68,50,71,333) Equity Shares of ₹ 1/- each     | 85.59                              | 68.51                              |
|                                                             | <u>85.59</u>                       | <u>68.51</u>                       |
| <b>Subscribed and Paid-up:</b>                              |                                    |                                    |
| 81,02,41,177 (63,93,99,911) Equity Shares of ₹ 1/- each     | 81.02                              | 63.94                              |
|                                                             | <u>81.02</u>                       | <u>63.94</u>                       |

- (i) Detail of shares allotted without payment being received in cash during five years immediately preceding the Balance Sheet date are given below:
- 3,70,00,000 (3,70,00,000) Equity Shares have been issued, for consideration other than cash to the members of erstwhile Bajaj Hindusthan Sugar and Industries Limited pursuant to Scheme of Amalgamation.
  - 17,08,41,266 (Nil) 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).
- (ii) The reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year:

| Particulars                                                          | As at<br>March 31, 2015 | As at<br>March 31, 2014 |
|----------------------------------------------------------------------|-------------------------|-------------------------|
|                                                                      | <b>No. of Shares</b>    | <b>No. of Shares</b>    |
| Equity Shares (with voting rights) at the beginning of the year      | 63,93,99,911            | 63,93,99,911            |
| Add: Shares issued on conversion of Funded Interest Term Loan (FITL) | 17,08,41,266            | -                       |
| Equity Shares at the end of the year                                 | <u>81,02,41,177</u>     | <u>63,93,99,911</u>     |

## (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:

| S. No. | Name of Shareholders                     | As at<br>March 31, 2015 |        | As at<br>March 31, 2014 |        |
|--------|------------------------------------------|-------------------------|--------|-------------------------|--------|
|        |                                          | No. of Shares           | % held | No. of Shares           | % held |
| 1.     | Bajaj Resources Ltd.                     | 8,19,44,455             | 10.11% | 8,19,44,455             | 12.82% |
| 2.     | Trustees-Shishir Bajaj Family Trust      | 6,49,48,632             | 8.02%  | 6,49,48,632             | 10.16% |
| 3.     | Global World Power Projects Private Ltd. | 4,11,11,121             | 5.07%  | 4,11,11,121             | 6.43%  |
| 4.     | Life Insurance Corporation of India      | 4,10,26,922             | 5.06%  | 4,10,26,922             | 6.42%  |

## (v) Option on unissued share capital:

Under Master Restructuring Agreement (MRA) lenders would convert 70% of the Funded Interest on Term Loan (FITL) into equity shares in various tranches. (refer note 40)

## (vi) On May 15, 2015, 65,12,669 Equity Shares of ₹ 1/- has been issued at premium of ₹ 20.77 per share (total ₹ 21.77 per share) to a lender on conversion of FITL of ₹ 14.18 crore.

|  | As at<br>March 31, 2015<br>₹ Crore | As at<br>March 31, 2014<br>₹ Crore |
|--|------------------------------------|------------------------------------|
|--|------------------------------------|------------------------------------|

**4. Reserves and surplus**

|                                                                                  |          |          |
|----------------------------------------------------------------------------------|----------|----------|
| <b>Capital redemption reserve</b>                                                |          |          |
| Opening balance                                                                  | 0.05     | 0.05     |
| Closing balance                                                                  | 0.05     | 0.05     |
| <b>Securities premium</b>                                                        |          |          |
| Opening balance                                                                  | 3,857.23 | 3,857.75 |
| Issue of equity shares                                                           | 354.84   | -        |
| Changes in provision of premium & withholding tax thereon on redemption of FCCBs | 1.94     | (0.52)   |
| Expenses related to issue of equity share capital                                | (0.41)   | -        |
| Closing balance                                                                  | 4,213.60 | 3,857.23 |
| <b>General reserve</b>                                                           |          |          |
| Opening balance                                                                  | 155.47   | 154.88   |
| Transferred from reserve for molasses storage tanks                              | 0.05     | 0.59     |
| Closing balance                                                                  | 155.52   | 155.47   |
| <b>Reserve for molasses storage tanks</b>                                        |          |          |
| Opening balance                                                                  | 2.32     | 2.36     |
| Transferred from statement of profit & loss                                      | 0.28     | 0.55     |
| Transferred to general reserve                                                   | (0.05)   | (0.59)   |
| Closing balance                                                                  | 2.55     | 2.32     |
| <b>Stock option outstanding</b>                                                  |          |          |
| Opening balance                                                                  | 13.54    | 15.30    |
| Stock option lapsed during the year                                              | (13.54)  | (1.76)   |
| Closing balance                                                                  | -        | 13.54    |



|                                                                                                                  | As at<br>March 31, 2015<br>₹ Crore | As at<br>March 31, 2014<br>₹ Crore |
|------------------------------------------------------------------------------------------------------------------|------------------------------------|------------------------------------|
| <b>Statement of profit and loss [surplus/(deficit)]</b>                                                          |                                    |                                    |
| Opening balance                                                                                                  | (1,533.31)                         | -                                  |
| Profit/(Loss) for the year                                                                                       | (1,097.22)                         | (1,533.12)                         |
| Dividend & dividend distribution tax written back                                                                | -                                  | 0.36                               |
| <b>Appropriations</b>                                                                                            |                                    |                                    |
| Transferred to reserve for molasses storage tanks                                                                | (0.28)                             | (0.55)                             |
| Carrying value of fixed assets adjusted (Useful life expired)<br>(Refer sub note (iv) of note 13 - Fixed assets) | (15.16)                            | -                                  |
| Closing balance                                                                                                  | <u>(2,645.97)</u>                  | <u>(1,533.31)</u>                  |
|                                                                                                                  | <u>1,725.75</u>                    | <u>2,495.30</u>                    |

## 5. Long-term borrowings

|                             |                 |                 |
|-----------------------------|-----------------|-----------------|
| <b>From banks</b>           |                 |                 |
| Secured                     | 6,876.09        | 2,300.06        |
|                             | <u>6,876.09</u> | <u>2,300.06</u> |
| <b>From related parties</b> |                 |                 |
| Unsecured                   | 175.00          | -               |
|                             | <u>175.00</u>   | <u>-</u>        |
| <b>From others</b>          |                 |                 |
| Secured                     | 59.47           | 208.90          |
| Unsecured                   | 0.78            | 0.61            |
|                             | <u>60.25</u>    | <u>209.51</u>   |
|                             | <u>7,111.34</u> | <u>2,509.57</u> |

### 5.1 Maturity profile of term loans are set out below:

₹ Crore

| Name of banks/financial institutions          | Interest (%)  | Maturity profile                 |                               |               |               |               |                 | Detail of securities   |
|-----------------------------------------------|---------------|----------------------------------|-------------------------------|---------------|---------------|---------------|-----------------|------------------------|
|                                               |               | Outstanding as at March 31, 2015 | Current Maturities (0-1 Year) | 2nd Year      | 3rd Year      | 4th Year      | Beyond 4 Years  |                        |
| <b>Term loans (Secured)</b>                   |               |                                  |                               |               |               |               |                 |                        |
| From Banks                                    | 12.50%        | 6,876.09                         | -                             | 929.33        | 933.50        | 932.22        | 4,081.04        | Refer note (i) below   |
| From others                                   |               |                                  |                               |               |               |               |                 |                        |
| Sugar Development Fund (SDF)                  | 4.00%-8.25%   | 84.95                            | 25.48                         | 26.00         | 16.74         | 8.46          | 8.27            | Refer note (ii) below  |
| <b>Total - Secured</b>                        |               | <b>6,961.04</b>                  | <b>25.48</b>                  | <b>955.33</b> | <b>950.24</b> | <b>940.68</b> | <b>4,089.31</b> |                        |
| <b>Term loans (Unsecured)</b>                 |               |                                  |                               |               |               |               |                 |                        |
| From related parties                          |               |                                  |                               |               |               |               |                 |                        |
| Loan from promoters                           | -             | 175.00                           | -                             | -             | -             | -             | 175.00          | Refer note (iii) below |
| From others                                   |               |                                  |                               |               |               |               |                 |                        |
| Department of Commercial Tax of Uttar Pradesh | Interest free | 1.66                             | 0.88                          | 0.18          | 0.04          | -             | 0.56            |                        |
| <b>Total - Unsecured</b>                      |               | <b>176.66</b>                    | <b>0.88</b>                   | <b>0.18</b>   | <b>0.04</b>   | <b>-</b>      | <b>175.56</b>   |                        |
| <b>Grand Total</b>                            |               | <b>7,137.70</b>                  | <b>26.36</b>                  | <b>955.51</b> | <b>950.28</b> | <b>940.68</b> | <b>4,264.87</b> |                        |

**Details of securities-**

- (i) Term Loans 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 of (both present & future) of the Company. The said loans are further secured by personal guarantee of Managing Director and corporate guarantee by a promoter group company, pledge of entire shares held by the Promoters of the company.
- (ii) The Sugar Development Fund loan (SDF) from Government of India is secured on exclusive second charge basis, by hypothecation of the whole of movable fixed assets and properties and by mortgage on the whole of immovable fixed assets and properties of the concerned sugar unit of the Company.
- (iii) 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 ₹ 175 crore has been brought by promoters as unsecured loan till March 31, 2015. Interest if any, payable shall be determined after the restructuring period is completed.

|                                                                                                                                                       | As at<br>April 01, 2014<br>₹ Crore | During the<br>year<br>₹ Crore | As at<br>March 31, 2015<br>₹ Crore |
|-------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|-------------------------------|------------------------------------|
| <b>6. Deferred tax liabilities/ (assets) (net)</b>                                                                                                    |                                    |                               |                                    |
| <b>Deferred tax liabilities:</b>                                                                                                                      |                                    |                               |                                    |
| Depreciation and amortisation                                                                                                                         | 484.55                             | 38.06                         | <b>522.61</b>                      |
|                                                                                                                                                       | <u>484.55</u>                      | <u>38.06</u>                  | <u><b>522.61</b></u>               |
| <b>Deferred tax assets:</b>                                                                                                                           |                                    |                               |                                    |
| Provision for employee benefits                                                                                                                       | 12.81                              | 1.52                          | <b>14.33</b>                       |
| Provision for doubtful debts/advances                                                                                                                 | 0.09                               | -                             | <b>0.09</b>                        |
| Carry forward losses and unabsorbed depreciation*                                                                                                     | 471.65                             | 36.54                         | <b>508.19</b>                      |
|                                                                                                                                                       | <u>484.55</u>                      | <u>38.06</u>                  | <u><b>522.61</b></u>               |
| <b>Deferred tax liabilities/(assets) (net)</b>                                                                                                        | <u>-</u>                           | <u>-</u>                      | <u>-</u>                           |
| * Deferred tax assets on carry forward losses and unabsorbed depreciation recognised to the extent of deferred tax liabilities on conservative basis. |                                    |                               |                                    |

|  | As at<br>March 31, 2015<br>₹ Crore | As at<br>March 31, 2014<br>₹ Crore |
|--|------------------------------------|------------------------------------|
|--|------------------------------------|------------------------------------|

**7. Other long-term liabilities**

|                                    |          |               |
|------------------------------------|----------|---------------|
| Advance against sale of investment | -        | 179.40        |
|                                    | <u>-</u> | <u>179.40</u> |

**8. Long-term provisions**

|                                |                     |              |
|--------------------------------|---------------------|--------------|
| Gratuity                       | <b>13.12</b>        | 11.82        |
| Leave encashment               | <b>13.46</b>        | 13.12        |
| Premium on redemption of FCCBs | -                   | 16.42        |
|                                | <u><b>26.58</b></u> | <u>41.36</u> |

**9. Short-term borrowings**

|                                  |                      |                 |
|----------------------------------|----------------------|-----------------|
| <b>From banks</b>                |                      |                 |
| Secured                          |                      |                 |
| Funded Interest Term Loan (FITL) | <b>146.21</b>        | -               |
| Working capital loan             | -                    | 3,076.14        |
|                                  | <u><b>146.21</b></u> | <u>3,076.14</u> |

The Funded Interest Term Loan (FITL) is secured on first pari passu charge basis, by way of mortgage over all immovable fixed assets and hypothecation over all movable fixed assets (both present and future) of the Company, on first pari-passu charge by way of hypothecation over all current assets (both present & future) of the Company. The said loan is further secured by personal guarantee of Managing Director and corporate guarantee by a promoter group company, pledge of entire shares held by the Promoters of the Company.

|  | As at<br>March 31, 2015<br>₹ Crore | As at<br>March 31, 2014<br>₹ Crore |
|--|------------------------------------|------------------------------------|
|--|------------------------------------|------------------------------------|

## 10. Trade payables

|                                                                                                                                                                                                                                                                         |                 |                 |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|-----------------|
| Micro and small enterprises                                                                                                                                                                                                                                             | 0.57            | 0.12            |
| Others (Includes acceptances of ₹ Nil, P.Y. ₹ 278.12 crore)                                                                                                                                                                                                             | 2,789.27        | 2,815.80        |
|                                                                                                                                                                                                                                                                         | <u>2,789.84</u> | <u>2,815.92</u> |
| The details of amount outstanding to Micro and Small Enterprises based on available information with the Company are as under :                                                                                                                                         |                 |                 |
| <b>Particulars</b>                                                                                                                                                                                                                                                      |                 |                 |
| The amounts remaining unpaid to micro and small suppliers as at the end of the year:                                                                                                                                                                                    |                 |                 |
| - Principal                                                                                                                                                                                                                                                             | 0.57            | 0.12            |
| - Interest                                                                                                                                                                                                                                                              | -               | -               |
| The amount of interest paid by the buyer as per the Micro Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006)                                                                                                                                          | 0.05            | 0.02            |
| The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting year                                                                                                                                                      | 0.73            | 0.64            |
| 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. | -               | -               |

## 11. Other current liabilities

|                                                             |               |                 |
|-------------------------------------------------------------|---------------|-----------------|
| Current maturities of long-term borrowings (refer note 5.1) | 26.36         | 688.96          |
| Interest accrued but not due on borrowings                  | 4.72          | 21.35           |
| Unclaimed dividends #                                       | 0.68          | 0.77            |
| Other payables*                                             | 70.28         | 534.76          |
|                                                             | <u>102.04</u> | <u>1,245.84</u> |

# These figures do not include any amount due and outstanding to be credited to Investor Education and Protection Fund.

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

## 12. Short-term provisions

|                           |              |               |
|---------------------------|--------------|---------------|
| Gratuity                  | 6.21         | 7.18          |
| Leave encashment          | 2.66         | 2.56          |
| Provision for excise duty | 84.92        | 91.20         |
|                           | <u>93.79</u> | <u>100.94</u> |

The Company had recognised liability based on substantial degree of estimation for excise duty payable on clearance of goods lying in stock as on March 31, 2015 of ₹ 84.92 crore (P.Y. ₹ 91.20 crore) as per the estimated pattern of dispatches. During the year, ₹ 91.20 crore was utilised for clearance of goods. Provision recognised under this class for the year is ₹ 84.92 crore which is outstanding as on March 31, 2015. Actual outflow is expected in the next financial year.

**13. Fixed assets****₹ Crore**

| DESCRIPTION                    |                                        | GROSS BLOCK          |           |                          | DEPRECIATION         |                      |              |                          | NET BLOCK            |                      |                      |
|--------------------------------|----------------------------------------|----------------------|-----------|--------------------------|----------------------|----------------------|--------------|--------------------------|----------------------|----------------------|----------------------|
| Sr. No.                        | Particulars                            | As at April 01, 2014 | Additions | Deductions & adjustments | As at March 31, 2015 | As at April 01, 2014 | For the year | Deductions & adjustments | Up to March 31, 2015 | As at March 31, 2015 | As at March 31, 2014 |
| (A) Tangible Assets :          |                                        |                      |           |                          |                      |                      |              |                          |                      |                      |                      |
| 1.                             | Freehold Land                          | 445.35               | 0.31      | -                        | 445.66               | -                    | -            | -                        | -                    | 445.66               | 445.35               |
| 2.                             | Leasehold Land                         | 1.02                 | -         | -                        | 1.02                 | 0.14                 | 0.03         | -                        | 0.17                 | 0.85                 | 0.88                 |
| 3.                             | Buildings                              | 1,277.95             | 1.84      | 6.93                     | 1,272.86             | 427.75               | 28.96        | 239.32                   | 217.39               | 1,055.47             | 850.20               |
| 4.                             | Plant & Machinery                      | 5,378.55             | 14.82     | 5.82                     | 5,387.55             | 1,796.18             | 197.96       | (106.11)                 | 2,100.25             | 3,287.30             | 3,582.37             |
| 5.                             | Furniture, Fixtures & Office Equipment | 54.76                | 0.23      | 9.51                     | 45.48                | 43.19                | 5.95         | 11.77                    | 37.37                | 8.11                 | 11.57                |
| 6.                             | Vehicles & Aircraft                    | 137.02               | 0.27      | 0.91                     | 136.38               | 40.68                | 6.98         | 3.71                     | 43.95                | 92.43                | 96.34                |
| Total (A)                      |                                        | 7,294.65             | 17.47     | 23.17                    | 7,288.95             | 2,307.94             | 239.88       | 148.69                   | 2,399.13             | 4,889.82             | 4,986.71             |
| (B) Intangible Assets :        |                                        |                      |           |                          |                      |                      |              |                          |                      |                      |                      |
| 7.                             | Computer Software                      | 3.44                 | -         | 3.42                     | 0.02                 | 3.31                 | 0.06         | 3.35                     | 0.02                 | 0.00                 | 0.13                 |
| Total (B)                      |                                        | 3.44                 | -         | 3.42                     | 0.02                 | 3.31                 | 0.06         | 3.35                     | 0.02                 | 0.00                 | 0.13                 |
| Total (A+B)                    |                                        | 7,298.09             | 17.47     | 26.59                    | 7,288.97             | 2,311.25             | 239.94       | 152.04                   | 2,399.15             | 4,889.82             | 4,986.84             |
| Previous Year Total            |                                        | 7,204.89             | 103.34    | 10.14                    | 7,298.09             | 1,785.04             | 531.72       | 5.51                     | 2,311.25             | 4,986.84             | 5,419.85             |
| (C) Capital work-in-progress : |                                        | 8.14                 | 8.92      | 8.80                     | 8.26                 | -                    | -            | -                        | -                    | 8.26                 | 8.14                 |
| Grand Total (A+B+C)            |                                        | 7,306.23             | 26.39     | 35.39                    | 7,297.23             | 2,311.25             | 239.94       | 152.04                   | 2,399.15             | 4,898.08             | 4,994.98             |
| Previous Year Grand Total      |                                        | 7,212.29             | 140.96    | 47.02                    | 7,306.23             | 1,785.04             | 531.72       | 5.51                     | 2,311.25             | 4,994.98             |                      |

**Notes:**

- The Company had fair valued its certain fixed assets as at April 01, 2010 resulting into additions to gross block aggregating to ₹ 1,406.63 crore (which includes Land ₹283.93 crore, Building ₹137.42 crore and Plant & Machinery ₹ 985.28 crore). The additional depreciation on account of fair valuation of fixed assets aggregating to ₹ 54.95 crore (previous year ₹ 89.33 crore) has been debited to the statement of profit and loss.
- Deduction & adjustments under gross block - Plant & Machinery includes ₹ 1.37 crore received on account of capital subsidy from Ministry of New and Renewable Energy (U & I Group) Government of India.
- During the year, an amount of ₹ 8.08 crore (previous year ₹ 59.92 crore) capitalised towards exchange fluctuation loss on foreign currency loans as per the Notification dated March 31, 2009 further amended vide Notification dated December 29, 2011 issued by the Ministry of Corporate Affairs (refer note 39).
- Pursuant to the enactment of Companies Act 2013, the company has applied the estimated useful lives as specified in Schedule II to tangible fixed assets. Accordingly the unamortised carrying value is being depreciated/amortised over the revised/ remaining useful lives. The written down value of fixed assets whose lives have expired as at April 01, 2014 of ₹ 15.16 crore have been adjusted in the opening balance of statement of profit and loss.
- Deductions and adjustments under depreciation includes ₹ 148.02 crore towards provision for impairment of assets of board division.

|                                                                                                                                | As at<br>March 31, 2015<br>₹ Crore | As at<br>March 31, 2014<br>₹ Crore |
|--------------------------------------------------------------------------------------------------------------------------------|------------------------------------|------------------------------------|
| <b>14. Non-current investments</b>                                                                                             |                                    |                                    |
| <b>Trade investments</b>                                                                                                       |                                    |                                    |
| <b>In Equity Shares of subsidiary companies</b>                                                                                |                                    |                                    |
| <b>Unquoted, fully paid-up</b>                                                                                                 |                                    |                                    |
| 2,70,01,000 (2,70,01,000) Shares of Bajaj Hindusthan (Singapore) Private Ltd., Singapore of S\$ 1/- each                       | 92.32                              | 92.32                              |
| 50,00,000 (50,00,000) Shares of Bajaj Aviation Private Ltd. of ₹ 10/- each                                                     | 5.00                               | 5.00                               |
| 20,000 (20,000) Shares of Bajaj Power Generation Private Ltd. of ₹ 10/- each                                                   | 0.02                               | 0.02                               |
|                                                                                                                                | <u>97.34</u>                       | <u>97.34</u>                       |
| <b>In Equity Shares of associates</b>                                                                                          |                                    |                                    |
| <b>Unquoted, fully paid-up</b>                                                                                                 |                                    |                                    |
| 1,54,39,900 (1,53,42,700) Shares of Lalitpur Power Generation Company Ltd. of ₹ 10/- each #                                    | 770.13                             | 765.27                             |
| 11,48,400 (11,48,400) Shares of Bajaj Ebiz Private Ltd. of ₹ 10/- each                                                         | 1.15                               | 1.15                               |
| Less: Provision for diminution in value of investments                                                                         | (1.15)                             | (1.15)                             |
|                                                                                                                                | <u>-</u>                           | <u>-</u>                           |
|                                                                                                                                | <u>770.13</u>                      | <u>765.27</u>                      |
| <b>In Equity Shares of other companies</b>                                                                                     |                                    |                                    |
| <b>Unquoted, fully paid-up</b>                                                                                                 |                                    |                                    |
| Nil (77,99,999) Shares of Bajaj Energy Pvt. Ltd. of ₹ 10/- each                                                                | -                                  | 154.20                             |
| 5,000 (5,000) Shares of Esugarindia Clearing Corporation Ltd. of ₹ 10/- each                                                   | 0.01                               | 0.01                               |
| Less: Provision for diminution in value of investments                                                                         | (0.01)                             | (0.01)                             |
|                                                                                                                                | <u>-</u>                           | <u>-</u>                           |
|                                                                                                                                | <u>-</u>                           | <u>154.20</u>                      |
| <b>Total trade investments</b>                                                                                                 | <u>867.47</u>                      | <u>1,016.81</u>                    |
| <b>Non-trade investments</b>                                                                                                   |                                    |                                    |
| <b>In Preference Shares of other company</b>                                                                                   |                                    |                                    |
| <b>Unquoted, fully paid-up</b>                                                                                                 |                                    |                                    |
| 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                             |
|                                                                                                                                | <u>350.04</u>                      | <u>350.04</u>                      |
| <b>In Debentures of other company</b>                                                                                          |                                    |                                    |
| <b>Unquoted, fully paid-up</b>                                                                                                 |                                    |                                    |
| 3,70,48,321 (3,70,48,321) Zero Coupon Optionally Convertible Debentures of Phenil Sugars Ltd. of ₹ 100/- each                  | 370.48                             | 370.48                             |
|                                                                                                                                | <u>370.48</u>                      | <u>370.48</u>                      |
| <b>Interest in a beneficiary trust</b>                                                                                         | <u>693.72</u>                      | <u>693.72</u>                      |
|                                                                                                                                | <u>693.72</u>                      | <u>693.72</u>                      |
| <b>Total non-trade investments</b>                                                                                             | <u>1,414.24</u>                    | <u>1,414.24</u>                    |
|                                                                                                                                | <u>2,281.71</u>                    | <u>2,431.05</u>                    |
| Aggregate value of unquoted investment                                                                                         | 2,281.71                           | 2,431.05                           |
| # These investments are pledged against loans taken by company/associate company.                                              |                                    |                                    |

|                                                                                               | As at<br>March 31, 2015<br>₹ Crore | As at<br>March 31, 2014<br>₹ Crore |
|-----------------------------------------------------------------------------------------------|------------------------------------|------------------------------------|
| <b>15. Long-term loans and advances</b>                                                       |                                    |                                    |
| (Unsecured considered good unless otherwise stated)                                           |                                    |                                    |
| Capital advances                                                                              | 1.68                               | 4.37                               |
| Security deposits                                                                             | 12.69                              | 13.04                              |
| Security deposit to related parties (refer note 35)                                           | 1.26                               | 1.26                               |
| Amount paid under protest                                                                     | 8.64                               | 2.75                               |
| Advance income tax (net of provisions)                                                        | 23.81                              | 39.15                              |
|                                                                                               | <u>48.08</u>                       | <u>60.57</u>                       |
| <b>16. Other non-current assets</b>                                                           |                                    |                                    |
| (Unsecured considered good)                                                                   |                                    |                                    |
| Fixed deposits*                                                                               | 3.66                               | 1.40                               |
|                                                                                               | <u>3.66</u>                        | <u>1.40</u>                        |
| * Having maturity after 12 months from the reporting date and earmarked for specific purposes |                                    |                                    |
| <b>17. Inventories</b>                                                                        |                                    |                                    |
| (At cost or net realisable value whichever is lower, unless otherwise stated)                 |                                    |                                    |
| Raw materials                                                                                 | 3.86                               | 5.76                               |
| Stores, spares & packing materials                                                            | 62.24                              | 79.02                              |
| Finished goods                                                                                | 1,907.07                           | 2,410.48                           |
| By-products                                                                                   | 174.73                             | 96.50                              |
| Work-in-progress                                                                              | 31.39                              | 38.96                              |
| Stock in trade (₹ 49,674/- (P.Y. ₹ 49,674/-))                                                 | 0.00                               | 0.00                               |
| Material in transit (₹ 15,070/-)                                                              | 0.00                               | 42.78                              |
|                                                                                               | <u>2,179.29</u>                    | <u>2,673.50</u>                    |
| <b>18. Trade receivables</b>                                                                  |                                    |                                    |
| (Unsecured considered good unless otherwise stated)                                           |                                    |                                    |
| Outstanding for a period exceeding six months from due date                                   | 14.35                              | 40.06                              |
| Doubtful                                                                                      | 13.68                              | 10.00                              |
| Less : Provision for doubtful debts                                                           | (13.68)                            | (10.00)                            |
|                                                                                               | <u>-</u>                           | <u>-</u>                           |
| Others                                                                                        | 154.64                             | 185.42                             |
|                                                                                               | <u>168.99</u>                      | <u>225.48</u>                      |
| <b>19. Cash and bank balances</b>                                                             |                                    |                                    |
| Cash and cash equivalents                                                                     |                                    |                                    |
| Cash on hand                                                                                  | 0.72                               | 0.88                               |
| Cheques, draft on hand                                                                        | 11.48                              | 34.18                              |
| Balance with banks                                                                            |                                    |                                    |
| Current account                                                                               | 47.73                              | 53.21                              |
| Fixed deposits (Maturity of less than 3 months)                                               | -                                  | 37.50                              |
|                                                                                               | <u>59.93</u>                       | <u>125.77</u>                      |
| Other bank balances                                                                           |                                    |                                    |
| Balance with banks (unpaid dividend)                                                          | 0.68                               | 0.77                               |
| Fixed deposits *                                                                              | 27.46                              | 1.70                               |
|                                                                                               | <u>28.14</u>                       | <u>2.47</u>                        |
|                                                                                               | <u>88.07</u>                       | <u>128.24</u>                      |
| * Includes ₹ 27.40 crore (P.Y. ₹ 1.70 crore) earmarked for specific purposes.                 |                                    |                                    |

|                                                                                                                 | As at<br>March 31, 2015<br>₹ Crore | As at<br>March 31, 2014<br>₹ Crore |
|-----------------------------------------------------------------------------------------------------------------|------------------------------------|------------------------------------|
| <b>20. Short-term loans and advances</b>                                                                        |                                    |                                    |
| (Unsecured considered good unless otherwise stated)                                                             |                                    |                                    |
| Loans & advances to related parties (refer note 35)                                                             | <b>1,204.97</b>                    | 1,102.42                           |
| Loans & advances to others                                                                                      | <b>368.12</b>                      | 142.23                             |
| Doubtful                                                                                                        | <b>2.29</b>                        | 2.29                               |
| Less: Provision for doubtful loans & advances                                                                   | <b>(2.29)</b>                      | (2.29)                             |
|                                                                                                                 | <b>-</b>                           | -                                  |
| MAT credit entitlement                                                                                          | <b>79.44</b>                       | 79.42                              |
| Balances with excise department                                                                                 | <b>41.18</b>                       | 69.77                              |
| Other advances*                                                                                                 | <b>80.12</b>                       | 97.27                              |
|                                                                                                                 | <b>1,773.83</b>                    | 1,491.11                           |
| *Includes advances given to suppliers, vendors and employees and other advances recoverable in cash or in kind. |                                    |                                    |

**20.1 Disclosure as per clause 32 of listing agreement**

a) Loans and advances given to subsidiaries and associates:

₹ Crore

| Name of subsidiary/associate companies                                       | Amount outstanding |                | Maximum balance outstanding during the year |                |
|------------------------------------------------------------------------------|--------------------|----------------|---------------------------------------------|----------------|
|                                                                              | March 31, 2015     | March 31, 2014 | March 31, 2015                              | March 31, 2014 |
| Bajaj Aviation Pvt. Ltd. (Subsidiary)                                        | <b>31.32</b>       | 31.14          | <b>31.32</b>                                | 31.14          |
| Bajaj Hindusthan (Singapore) Private Ltd. (Subsidiary)                       | <b>10.90</b>       | 11.46          | <b>11.46</b>                                | 11.46          |
| Bajaj Power Generation Pvt. Ltd. (Subsidiary)                                | <b>1,162.75</b>    | 1,054.96       | <b>1,162.75</b>                             | 1,054.96       |
| Lalitpur Power Generation Company Ltd. (Associate) - Share application money | -                  | 4.86           | <b>4.86</b>                                 | 4.86           |
|                                                                              | <b>1,204.97</b>    | 1,102.42       |                                             |                |

Notes:

- (i) Loans and advances shown above, to subsidiaries fall under the category of "Short-term loans and advances" in the nature of loans where there is no repayment schedule and are re-payable on demand and given for business purposes.
- (ii) The above loans and advances (outstanding) are interest bearing, except loan given to Bajaj Hindusthan (Singapore) Private Ltd.
- (iii) Loans to employees as per Company's policy are not considered above.

b) Investments by the loanees in the shares of subsidiaries:

| Particulars                                                                   | No. of Shares | As at                     | No. of Shares | As at                     |
|-------------------------------------------------------------------------------|---------------|---------------------------|---------------|---------------------------|
|                                                                               |               | March 31, 2015<br>₹ Crore |               | March 31, 2014<br>₹ Crore |
| Investment by Bajaj Hindusthan (Singapore) Private Ltd. in equity shares of - |               |                           |               |                           |
| PT. Batu Bumi Persada, Indonesia (Step down subsidiary)                       | <b>49,500</b> | <b>26.46</b>              | 49,500        | 26.46                     |
| PT. Jangkar Prima, Indonesia (Step down subsidiary)                           | <b>49,940</b> | <b>62.34</b>              | 49,940        | 62.34                     |

**21. Other current assets**

|                                                                          | As at<br>March 31, 2015<br>₹ Crore | As at<br>March 31, 2014<br>₹ Crore |
|--------------------------------------------------------------------------|------------------------------------|------------------------------------|
| (Unsecured considered good)                                              |                                    |                                    |
| Claims/refund recoverable in cash or in kind or for value to be received | <b>632.99</b>                      | 518.24                             |
| Duty drawback receivable                                                 | <b>0.06</b>                        | 2.81                               |
| Interest accrued                                                         | <b>1.81</b>                        | 1.03                               |
|                                                                          | <b>634.86</b>                      | 522.08                             |



|                                                                          | Year ended<br>March 31, 2015<br>₹ Crore | 18 months ended<br>March 31, 2014<br>₹ Crore |
|--------------------------------------------------------------------------|-----------------------------------------|----------------------------------------------|
| <b>22. Revenue from operations</b>                                       |                                         |                                              |
| Sale of products                                                         | 4,605.93                                | 6,813.64                                     |
| Other operating revenues                                                 | 88.15                                   | 44.61                                        |
|                                                                          | <u>4,694.08</u>                         | <u>6,858.25</u>                              |
| Less: Excise duty                                                        | 162.62                                  | 214.00                                       |
|                                                                          | <u>4,531.46</u>                         | <u>6,644.25</u>                              |
| <b>22.1 Particulars of sale of products</b>                              |                                         |                                              |
| Sugar                                                                    | 3,728.71                                | 5,173.52                                     |
| Alcohol                                                                  | 435.21                                  | 793.46                                       |
| Power                                                                    | 154.76                                  | 311.72                                       |
| By-products                                                              | 73.78                                   | 113.10                                       |
| Others                                                                   | -                                       | 40.31                                        |
| Traded goods                                                             | 213.47                                  | 381.53                                       |
|                                                                          | <u>4,605.93</u>                         | <u>6,813.64</u>                              |
| <b>22.2 Particulars of other operating revenues</b>                      |                                         |                                              |
| Duty drawback and other export incentives                                | 2.13                                    | 14.64                                        |
| Sale of export licences                                                  | 0.99                                    | -                                            |
| Sale of scrap                                                            | 3.28                                    | 6.87                                         |
| Others                                                                   | 81.75                                   | 23.10                                        |
|                                                                          | <u>88.15</u>                            | <u>44.61</u>                                 |
| <b>23. Other income</b>                                                  |                                         |                                              |
| Dividend on long-term investment (Nil, P.Y. ₹2/-)                        | -                                       | 0.00                                         |
| Profit on sale of non-current investment                                 | 25.20                                   | 26.29                                        |
| Other non-operating income                                               | 13.46                                   | 23.52                                        |
|                                                                          | <u>38.66</u>                            | <u>49.81</u>                                 |
| <b>24. Purchases and materials consumed</b>                              |                                         |                                              |
| Opening stock                                                            | 5.76                                    | 12.46                                        |
| Purchases                                                                | 3,490.57                                | 7,444.63                                     |
|                                                                          | <u>3,496.33</u>                         | <u>7,457.09</u>                              |
| Less: Closing stock                                                      | 3.86                                    | 5.76                                         |
| Cost of raw material consumed (refer note 30)                            | <u>3,492.47</u>                         | <u>7,451.33</u>                              |
| Purchase/cost of traded goods sold                                       | 212.07                                  | 364.00                                       |
|                                                                          | <u>3,704.54</u>                         | <u>7,815.33</u>                              |
| <b>25. Changes in inventories of finished goods and work-in-progress</b> |                                         |                                              |
| Opening stock:                                                           |                                         |                                              |
| Finished goods                                                           | 2,410.48                                | 426.68                                       |
| By-products                                                              | 96.50                                   | 37.51                                        |
| Work-in-progress                                                         | 38.96                                   | 5.87                                         |
|                                                                          | <u>2,545.94</u>                         | <u>470.06</u>                                |
| Less: Closing stock                                                      |                                         |                                              |
| Finished goods                                                           | 1,907.07                                | 2,410.48                                     |
| By-products                                                              | 174.73                                  | 96.50                                        |
| Work-in-progress                                                         | 31.39                                   | 38.96                                        |
|                                                                          | <u>2,113.19</u>                         | <u>2,545.94</u>                              |
|                                                                          | <u>432.75</u>                           | <u>(2,075.88)</u>                            |

|                                            | Year ended<br>March 31, 2015<br>₹ Crore | 18 months ended<br>March 31, 2014<br>₹ Crore |
|--------------------------------------------|-----------------------------------------|----------------------------------------------|
| <b>26. Employee benefits expense</b>       |                                         |                                              |
| Salaries & wages                           | 178.15                                  | 288.47                                       |
| Contributions to provident and other funds | 13.46                                   | 26.92                                        |
| Employees' welfare expenses                | 1.60                                    | 2.61                                         |
| Employee compensation expenses (ESOP cost) | (13.54)                                 | (1.76)                                       |
|                                            | <u>179.67</u>                           | <u>316.24</u>                                |

**26.1** Liability for employee benefits has been determined by an actuary, appointed for the purpose, in conformity with the principles set out in the Accounting Standard - 15 (Revised) the details of which are as here under:

**a. Funded scheme - gratuity**

|                                                                                  |               |              |
|----------------------------------------------------------------------------------|---------------|--------------|
| <b>Liability to be recognised in balance sheet</b>                               |               |              |
| Present value of funded obligations                                              | 32.38         | 31.87        |
| Fair value of plan assets                                                        | (13.05)       | (12.87)      |
| Net liability/(asset)                                                            | <u>19.33</u>  | <u>19.00</u> |
| <b>Change in plan assets (reconciliation of opening &amp; closing balances )</b> |               |              |
| Fair value of plan assets at the beginning                                       | 12.87         | 14.93        |
| Expected return on plan assets                                                   | 1.16          | 1.88         |
| Actuarial gain/(losses)                                                          | (0.02)        | (0.04)       |
| Contributions                                                                    | 1.26          | 0.44         |
| Benefits paid                                                                    | (2.22)        | (4.34)       |
| Fair value of plan assets at the end                                             | <u>13.05</u>  | <u>12.87</u> |
| <b>Change in obligation (reconciliation of opening and closing balances)</b>     |               |              |
| Obligation at the beginning                                                      | 31.87         | 27.01        |
| Current service cost                                                             | 2.79          | 4.05         |
| Interest cost                                                                    | 2.89          | 3.97         |
| Actuarial losses/(gain)                                                          | (2.95)        | 1.18         |
| Benefits paid                                                                    | (2.22)        | (4.34)       |
| Closing obligation                                                               | <u>32.38</u>  | <u>31.87</u> |
| <b>Expenditure to be recognised during the year</b>                              |               |              |
| Current service cost                                                             | 2.79          | 4.05         |
| Interest cost                                                                    | 2.89          | 3.97         |
| Expected return on plan assets                                                   | (1.16)        | (1.88)       |
| Net actuarial losses/(gain) recognised during the year                           | <u>(2.93)</u> | <u>1.22</u>  |
| Total expenses recognised in the statement of profit and loss                    | <u>1.59</u>   | <u>7.36</u>  |
| <b>Assumptions</b>                                                               |               |              |
| Discount rate (per annum)                                                        | 8.00%         | 8.25%        |
| Expected rate of return on assets (per annum)                                    | 9.00%         | 9.00%        |
| Salary escalation rate (per annum)                                               | 5.00%         | 5.00%        |

**Experience adjustments**

| Particulars                                      | 2015<br>₹ Crore | 2014<br>₹ Crore | 2012<br>₹ Crore | 2011<br>₹ Crore | 2010<br>₹ Crore |
|--------------------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Defined benefit obligations                      | 32.38           | 31.87           | 27.01           | 24.85           | 22.33           |
| Plan assets                                      | (13.05)         | (12.87)         | (14.93)         | (15.90)         | (16.08)         |
| Surplus/ (deficit)                               | 19.33           | 19.00           | 12.08           | 8.95            | 6.25            |
| Experience adj. on plan liabilities loss/ (gain) | (2.95)          | 1.18            | (0.21)          | (0.11)          | 2.03            |
| Experience adj. on plan assets gain/ (loss)      | (0.02)          | (0.04)          | 0.18            | 0.16            | 0.26            |

| Particulars                                             | Year ended<br>March 31, 2015<br>₹ Crore | 18 months ended<br>March 31, 2014<br>₹ Crore |
|---------------------------------------------------------|-----------------------------------------|----------------------------------------------|
| <b>b. Unfunded scheme - earned leaves</b>               |                                         |                                              |
| Present value of unfunded obligations                   | 16.12                                   | 15.68                                        |
| Expenses recognised in the statement of profit and loss | 3.32                                    | 10.82                                        |
| Discount rate (per annum)                               | 8.00%                                   | 8.25%                                        |
| Salary escalation rate (per annum)                      | 5.00%                                   | 5.00%                                        |

**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, 2015.

|                                                              |       |       |
|--------------------------------------------------------------|-------|-------|
| 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                                                | 7.77% | 9.15% |
| Average remaining tenure of the investment portfolio (years) | 8.10  | 8.51  |
| Expected guaranteed interest rate                            | 8.75% | 8.75% |

During the year ended March 31, 2015, amount recognised in statement of profit and loss for employee provident fund is ₹ 5.77 crore (P.Y. ₹ 10.81 crore).

**Defined contribution plan**

|                                  |      |      |
|----------------------------------|------|------|
| Family pension fund              | 5.70 | 7.35 |
| Employees deposit link insurance | 0.35 | 0.42 |
| Superannuation                   | 0.44 | 0.50 |

**27. Finance costs (net)**

|                       |               |                 |
|-----------------------|---------------|-----------------|
| Interest expense on:  |               |                 |
| Borrowings            | 824.46        | 1,045.35        |
| Others                | 37.61         | 41.49           |
| Other borrowing costs | 26.87         | 40.66           |
|                       | <u>888.94</u> | <u>1,127.50</u> |
| Less: Interest income | 147.39        | 178.93          |
|                       | <u>741.55</u> | <u>948.57</u>   |

**28. Depreciation and amortisation expense**

|                                   |               |               |
|-----------------------------------|---------------|---------------|
| Depreciation on tangible assets   | 239.88        | 531.50        |
| Amortisation on intangible assets | 0.06          | 0.22          |
|                                   | <u>239.94</u> | <u>531.72</u> |

| Particulars                                       | Year ended<br>March 31, 2015<br>₹ Crore | 18 months ended<br>March 31, 2014<br>₹ Crore |
|---------------------------------------------------|-----------------------------------------|----------------------------------------------|
| <b>29. Other expenses</b>                         |                                         |                                              |
| Stores, spares and packing materials consumed     | 110.68                                  | 215.44                                       |
| Increase/(decrease) of excise duty on inventories | (7.87)                                  | 77.07                                        |
| Power and fuel                                    | 12.28                                   | 28.77                                        |
| Rent                                              | 6.18                                    | 3.94                                         |
| Rates and taxes                                   | 0.48                                    | 0.87                                         |
| Repairs :                                         |                                         |                                              |
| Building                                          | 13.39                                   | 4.49                                         |
| Machinery                                         | 89.73                                   | 93.06                                        |
| Others                                            | 10.42                                   | 9.16                                         |
|                                                   | 113.54                                  | 106.71                                       |
| Payment to auditors (refer note 29.1)             | 0.50                                    | 0.68                                         |
| Insurance                                         | 4.80                                    | 9.61                                         |
| Selling commission                                | 9.31                                    | 14.10                                        |
| Selling & distribution                            | 33.74                                   | 68.84                                        |
| Director fees                                     | 0.11                                    | 0.21                                         |
| Donations                                         | -                                       | 0.43                                         |
| Loss due to foreign currency fluctuation (net)    | 6.01                                    | 32.37                                        |
| Provision for doubtful debts                      | 3.68                                    | 9.44                                         |
| Loss on sale of non-current investment            | -                                       | 0.01                                         |
| Loss on assets sold / scrapped / written off      | 0.34                                    | 3.02                                         |
| Miscellaneous expenses                            | 78.94                                   | 94.63                                        |
|                                                   | 372.72                                  | 666.14                                       |

**29.1 Payment to auditors**

|                                                        |      |      |
|--------------------------------------------------------|------|------|
| As auditors - statutory audit                          | 0.33 | 0.33 |
| For taxation matters                                   | 0.05 | 0.10 |
| For certification work                                 | 0.12 | 0.25 |
| Reimbursement of expenses (₹ 1,914/-, P.Y. ₹ 21,103/-) | 0.00 | 0.00 |
|                                                        | 0.50 | 0.68 |

|  | Year ended<br>March 31, 2015 |                           | 18 months ended<br>March 31, 2014 |                           |
|--|------------------------------|---------------------------|-----------------------------------|---------------------------|
|  | ₹ Crore                      | % to total<br>consumption | ₹ Crore                           | % to total<br>consumption |

**30. Particulars of materials consumed**

|            |          |         |          |         |
|------------|----------|---------|----------|---------|
| Imported   | -        | -       | -        | -       |
|            | -        | -       | -        | -       |
| Indigenous |          |         |          |         |
| Sugarcane  | 3,450.41 | 98.80%  | 7,338.94 | 98.49%  |
| Molasses   | 33.96    | 0.97%   | 94.99    | 1.27%   |
| Bagasse    | -        | 0.00%   | 4.62     | 0.06%   |
| Others     | 8.10     | 0.23%   | 12.78    | 0.18%   |
|            | 3,492.47 | 100.00% | 7,451.33 | 100.00% |
|            | 3,492.47 | 100.00% | 7,451.33 | 100.00% |

|  | Year ended<br>March 31, 2015 |                           | 18 months ended<br>March 31, 2014 |                           |
|--|------------------------------|---------------------------|-----------------------------------|---------------------------|
|  | ₹ Crore                      | % to total<br>consumption | ₹ Crore                           | % to total<br>consumption |

**31. Value of spares and components consumed**

|            |              |                |              |                |
|------------|--------------|----------------|--------------|----------------|
| Imported   | -            | -              | -            | -              |
| Indigenous | 20.61        | 100.00%        | 46.80        | 100.00%        |
|            | <u>20.61</u> | <u>100.00%</u> | <u>46.80</u> | <u>100.00%</u> |

|  | Year ended<br>March 31, 2015<br>₹ Crore | 18 months ended<br>March 31, 2014<br>₹ Crore |
|--|-----------------------------------------|----------------------------------------------|
|--|-----------------------------------------|----------------------------------------------|

**32. Value of import on CIF basis in respect of**

|               |             |             |
|---------------|-------------|-------------|
| Capital goods | -           | 0.17        |
| Others        | 1.64        | 3.57        |
|               | <u>1.64</u> | <u>3.74</u> |

**33. Expenditure in foreign currency**

|                     |             |              |
|---------------------|-------------|--------------|
| Interest            | 7.50        | 12.88        |
| Travelling expenses | 0.10        | 0.25         |
| Others              | -           | 0.75         |
|                     | <u>7.60</u> | <u>13.88</u> |

**34. Earning in foreign exchange**

|                                 |          |               |
|---------------------------------|----------|---------------|
| Export of goods on F.O.B. basis | -        | 174.93        |
|                                 | <u>-</u> | <u>174.93</u> |

**35. Disclosure as required under AS-18 in respect of related party transactions:****a) Details of related parties**

|        | Name of related parties                              | Description of relationship                                                                                                                                                                                                       |
|--------|------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| (i)    | Bajaj Aviation Private Ltd.                          | Wholly owned subsidiary                                                                                                                                                                                                           |
| (ii)   | Bajaj Power Generation Private Ltd.                  | Wholly owned subsidiary                                                                                                                                                                                                           |
| (iii)  | Bajaj Hindusthan (Singapore) Private Ltd., Singapore | Wholly owned subsidiary                                                                                                                                                                                                           |
| (iv)   | PT. Batu Bumi Persada, Indonesia                     | Step down subsidiary                                                                                                                                                                                                              |
| (v)    | PT. Jangkar Prima, Indonesia                         | Step down subsidiary                                                                                                                                                                                                              |
| (vi)   | Lalitpur Power Generation Company Ltd.               | Associate (subsidiary up to January 28, 2014)                                                                                                                                                                                     |
| (vii)  | Bajaj Energy Private Ltd.                            | Associate (up to March 26, 2014)                                                                                                                                                                                                  |
| (viii) | Mr. Shishir Bajaj                                    | Chairman & Managing Director (Also key management personnel) - up to October 16, 2014                                                                                                                                             |
| (ix)   | Mrs. Minakshi Bajaj                                  | Wife of Mr. Shishir Bajaj                                                                                                                                                                                                         |
| (x)    | Mr. Kushagra Bajaj                                   | a) Vice Chairman and Joint Managing Director (Also key management personnel and also son of Mr. Shishir Bajaj). up to October 17, 2014<br>b) Chairman and Managing Director (Also key management personnel) from October 18, 2014 |
| (xi)   | Mr. Apoorva Bajaj                                    | Son of Mr. Shishir Bajaj                                                                                                                                                                                                          |
| (xii)  | Dr. Sanjeev Kumar                                    | Executive Director (Also key management personnel) up to March 29, 2015                                                                                                                                                           |
| (xiii) | Mr. Manoj Maheshwari                                 | Director and Group CFO (Also key management personnel) up to March 29, 2015                                                                                                                                                       |
| (xiv)  | Mr. Ashok Kumar Gupta                                | Director (Group Operations) (Also key management personnel)                                                                                                                                                                       |

|         | Name of related parties                       | Description of relationship                                                                                    |
|---------|-----------------------------------------------|----------------------------------------------------------------------------------------------------------------|
| (xv)    | Bajaj Capital Ventures Private Ltd.           | Enterprises over which key management personnel and their relatives are able to exercise significant influence |
| (xvi)   | Shishir Bajaj Family Trust                    |                                                                                                                |
| (xvii)  | Kushagra Trust no. 2                          |                                                                                                                |
| (xviii) | Shishir Bajaj, HUF                            |                                                                                                                |
| (xix)   | Bajaj Power Ventures Private Ltd.             |                                                                                                                |
| (xx)    | Bajaj Infrastructure Development Company Ltd. |                                                                                                                |
| (xxi)   | SKB Roop Commercial, LLP                      |                                                                                                                |
| (xxii)  | Bajaj Energy Private Ltd.                     |                                                                                                                |
| (xxiii) | Bajaj Resources Ltd.                          |                                                                                                                |
| (xxiv)  | A.N. Bajaj Enterprises Private Ltd.           |                                                                                                                |
| (xxv)   | KNB Enterprises, LLP                          |                                                                                                                |
| (xxvi)  | Global World Power Projects Private Ltd.      |                                                                                                                |
| (xxvii) | Bajaj International Realty Private Ltd.       |                                                                                                                |

**b) Details of related party transactions:**

₹ Crore

|                                                   | Subsidiaries | Key management personnel | Associates | Enterprises described in (xv to xxvii) above | Total    |
|---------------------------------------------------|--------------|--------------------------|------------|----------------------------------------------|----------|
| <b>I. Transactions during the year</b>            |              |                          |            |                                              |          |
| Sale of capital goods                             | -            | -                        | 0.01       | -                                            | 0.01     |
|                                                   | (0.40)       | (-)                      | (-)        | (17.00)                                      | (17.40)  |
| Purchase of stores                                | -            | -                        | -          | 0.10                                         | 0.10     |
|                                                   | (-)          | (-)                      | (-)        | (-)                                          | (-)      |
| Interest received                                 | 106.61       | -                        | -          | -                                            | 106.61   |
|                                                   | (157.59)     | (-)                      | (-)        | (-)                                          | (157.59) |
| Rent / lease rent received                        | 7.20         | -                        | -          | 2.78                                         | 9.98     |
|                                                   | (13.33)      | (-)                      | (4.67)     | (-)                                          | (18.00)  |
| Rent paid                                         | -            | -                        | -          | 2.87                                         | 2.87     |
|                                                   | (-)          | (-)                      | (-)        | (1.30)                                       | (1.30)   |
| Remuneration                                      | -            | 10.77                    | -          | -                                            | 10.77    |
|                                                   | (-)          | (12.41)                  | (-)        | (-)                                          | (12.41)  |
| Investment made                                   | -            | -                        | 4.86       | -                                            | 4.86     |
|                                                   | (216.00)     | (-)                      | (64.30)    | (-)                                          | (280.30) |
| Investment sold                                   | -            | -                        | -          | 179.40                                       | 179.40   |
|                                                   | (-)          | (-)                      | (-)        | (75.90)                                      | (75.90)  |
| Deposits given                                    | -            | -                        | -          | -                                            | -        |
|                                                   | (-)          | (-)                      | (-)        | (0.90)                                       | (0.90)   |
| Advance for capital expenditure                   | -            | -                        | -          | -                                            | -        |
|                                                   | (-)          | (-)                      | (-)        | (0.70)                                       | (0.70)   |
| Refund of advance for capital expenditure         | -            | -                        | -          | -                                            | -        |
|                                                   | (-)          | (-)                      | (-)        | (0.70)                                       | (0.70)   |
| Refund of advance against share application money | -            | -                        | -          | -                                            | -        |
|                                                   | (-)          | (-)                      | (72.00)    | (-)                                          | (72.00)  |
| Share application money                           | -            | -                        | -          | -                                            | -        |
|                                                   | (-)          | (-)                      | (4.86)     | (-)                                          | (4.86)   |
| Loans given                                       | 110.47       | -                        | -          | -                                            | 110.47   |
|                                                   | (472.76)     | (-)                      | (-)        | (-)                                          | (472.76) |
| Loans taken                                       | -            | 110.50                   | -          | 64.50                                        | 175.00   |
|                                                   | (-)          | (-)                      | (-)        | (-)                                          | (-)      |
| Loans given repaid                                | 3.06         | -                        | -          | -                                            | 3.06     |
|                                                   | (115.90)     | (-)                      | (-)        | (-)                                          | (115.90) |
| Guarantees/securities given                       | -            | -                        | 4.86       | -                                            | 4.86     |
|                                                   | (497.20)     | (-)                      | (-)        | (-)                                          | (497.20) |

|                                                      | ₹ Crore         |                          |               |                                              |                 |
|------------------------------------------------------|-----------------|--------------------------|---------------|----------------------------------------------|-----------------|
|                                                      | Subsidiaries    | Key management personnel | Associates    | Enterprises described in (xv to xxvii) above | Total           |
| <b>II. Amounts outstanding at balance sheet date</b> |                 |                          |               |                                              |                 |
| Loans given                                          | <b>1,204.97</b> | -                        | -             | -                                            | <b>1,204.97</b> |
|                                                      | (1,097.56)      | (-)                      | (-)           | (-)                                          | (1,097.56)      |
| Loans taken                                          | -               | <b>110.50</b>            | -             | <b>64.50</b>                                 | <b>175.00</b>   |
|                                                      | (-)             | (-)                      | (-)           | (-)                                          | (-)             |
| Other debtors                                        | <b>9.15</b>     | -                        | -             | -                                            | <b>9.15</b>     |
|                                                      | (12.81)         | (-)                      | (-)           | (-)                                          | (12.81)         |
| Guarantees/ securities given                         | <b>99.00</b>    | -                        | <b>759.99</b> | -                                            | <b>858.99</b>   |
|                                                      | (99.00)         | (-)                      | (755.13)      | (-)                                          | (854.13)        |
| Deposits given                                       | -               | -                        | -             | <b>1.26</b>                                  | <b>1.26</b>     |
|                                                      | (-)             | (-)                      | (-)           | (1.26)                                       | (1.26)          |
| Share application money                              | -               | -                        | -             | -                                            | -               |
|                                                      | (-)             | (-)                      | (4.86)        | (-)                                          | (4.86)          |
| Investments                                          | <b>97.34</b>    | -                        | <b>770.13</b> | -                                            | <b>867.47</b>   |
|                                                      | (97.34)         | (-)                      | (765.27)      | (-)                                          | (862.61)        |

## 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 capital goods includes ₹ 0.01 crore (P.Y. Nil) to Lalitpur Power Generation Company Limited.
4. Purchase of stores of ₹ 0.10 crore (P.Y. Nil) from Bajaj Energy Private Ltd.
5. Interest received includes ₹ 103.63 crore (P.Y. ₹ 153.29 crore) from Bajaj Power Generation Private Limited and ₹ 2.98 crore (P.Y. ₹ 4.30 crore) from Bajaj Aviation Pvt Ltd. on loan given to them.
6. Rent received ₹ 7.20 crore (P.Y. ₹ 13.33 crore) from Bajaj Aviation Pvt. Ltd and ₹ 2.78 crore (P.Y. ₹ 4.67 crore) from Bajaj Energy Private Ltd.
7. Rent paid includes ₹ 0.85 crore (P.Y. ₹ 1.08 crore) to Bajaj Capital Ventures Pvt. Ltd and ₹ 2.02 crore (P.Y. ₹ 0.22 crore) to Shishir Bajaj Family Trust.
8. Remuneration includes ₹ 4.91 crore (P.Y. ₹ 2.43 crore) to Mr. Shishir Bajaj, ₹ 1.32 crore (P.Y. ₹ 1.96 crore) to Mr. Kushagra Bajaj, ₹ 1.87 crore (P.Y. ₹ 3.15 crore) to Dr. Sanjeev Kumar, ₹ 1.83 crore (P.Y. ₹ 3.58 crore) to Mr. Manoj Maheshwari and ₹ 0.84 crore (P.Y. ₹ 1.29 crore) to Mr. A.K. Gupta.
9. Investment made of ₹ 4.86 crore (P.Y. ₹ 64.30 crore) in Lalitpur Power Generation Company Ltd.
10. Investments sold of ₹ 179.40 crore (P.Y. ₹ 75.90 crore) to Bajaj Power Ventures Pvt Ltd.
11. Loans given including interest includes ₹ 107.79 crore (P.Y. ₹ 435.21 crore) to Bajaj Power Generation Private Ltd, and ₹ 2.68 crore (P.Y. ₹ 26.09 crore) to Bajaj Aviation Pvt Ltd.
12. Loan taken of ₹ 110.50 crore from Mr. Kushagra Bajaj and ₹ 64.50 crore from M/s SKB Roop Commercial LLP (a promoter group company).
13. Loans given repaid includes ₹ 2.50 crore (P.Y. Nil) from Bajaj Aviation Pvt. Ltd and ₹ 0.56 crore (due to change of currency rate) (P.Y. Nil) from Bajaj Hindusthan (Singapore) Private Ltd.
14. Guarantee/ securities given of ₹ 4.86 crore (P.Y. ₹ 497.20 crore) for Lalitpur Power Generation Company Ltd.
15. Restructured term loan from banks aggregating to ₹ 7,022.30 crore are secured by personal guarantee of Mr. Kushagra Bajaj (Managing Director) and corporate guarantee by M/s Bajaj International Realty Private Ltd. (a promoter group company) and pledge of entire shares held by the promoters of the Company.



|  | As at<br>March 31, 2015<br>₹ Crore | As at<br>March 31, 2014<br>₹ Crore |
|--|------------------------------------|------------------------------------|
|--|------------------------------------|------------------------------------|

### 36. Contingent liabilities and commitments

|                                                                                                                                                                                                                                                |               |               |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|---------------|
| <b>(I) Contingent liabilities</b>                                                                                                                                                                                                              |               |               |
| (a) In respect of disputed demands/claims against the Company not acknowledged as debts:                                                                                                                                                       |               |               |
| (i) Central excise matters                                                                                                                                                                                                                     | 36.45         | 42.60         |
| (ii) Trade tax matters                                                                                                                                                                                                                         | 73.03         | 69.73         |
| (iii) Income tax matters                                                                                                                                                                                                                       | 18.49         | -             |
| (iv) Recompense payable (refer note 40(b))                                                                                                                                                                                                     | 17.98         | -             |
| (v) Other claims                                                                                                                                                                                                                               | 24.94         | 25.02         |
|                                                                                                                                                                                                                                                | <u>170.89</u> | <u>137.35</u> |
| (b) Guarantees                                                                                                                                                                                                                                 |               |               |
| The Company has furnished guarantees/securities on behalf of subsidiary / associate company                                                                                                                                                    | 858.99        | 1,008.33      |
| (c) Erstwhile Bajaj Eco-Tec Products Ltd. (merged with the Company) has procured imported as well as indigenous capital goods under Export Promotion and Capital Goods Scheme (EPCG). The Export obligation pending against such EPCG licenses | 4.29          | 4.50          |
| (d) Interest payable on promoters contribution (refer note 40 (c)) is not determinable                                                                                                                                                         |               |               |
| <b>(II) Commitments</b>                                                                                                                                                                                                                        |               |               |
| Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)                                                                                                                               | 7.13          | 9.56          |

### 37. Earnings per share

|                                                                                                          |            |            |
|----------------------------------------------------------------------------------------------------------|------------|------------|
| (i) Net profit/ (loss) after tax as per statement of profit and loss attributable to equity shareholders | (1,097.22) | (1,533.12) |
| (ii) Weighted average number of equity shares used as denominator for calculating basic EPS (crore)      | 64.03      | 63.94      |
| (iii) Add: Equity Shares to be issued on conversion of funded interest term loan (FITL) (crore)          | 6.72       | -          |
| (iv) Weighted average number of equity shares used as denominator for calculating diluted EPS (crore)    | 70.75      | -          |
| (v) Basic earnings per share                                                                             | (17.14)    | (23.98)    |
| (vi) Diluted earnings per share (since antidilutive, same as basic EPS)                                  | (17.14)    | (23.98)    |
| (vii) Face value per equity share                                                                        | ₹1/-       | ₹1/-       |

|  |                                          |                                          |
|--|------------------------------------------|------------------------------------------|
|  | <u>Forward<br/>Contract</u><br>USD crore | <u>Forward<br/>Contract</u><br>USD crore |
|--|------------------------------------------|------------------------------------------|

### 38. Derivative instruments

Derivative instruments outstanding are as under:

#### Hedged

|                                      |   |      |
|--------------------------------------|---|------|
| Creditors (USD)                      | - | 3.84 |
| FCCBs (USD)                          | - | 1.50 |
| Premium on redemption of FCCBs (USD) | - | 0.10 |

#### Unhedged

|                                      |      |      |
|--------------------------------------|------|------|
| Loan given (SGD)                     | 0.24 | 0.24 |
| Creditors (USD)                      | -    | 0.68 |
| Premium on redemption of FCCBs (USD) | -    | 0.17 |
| ECB (USD)                            | -    | 3.09 |

39. As required by paragraph 46 inserted vide notification dated March 31, 2009 to the Accounting Standard AS-11 "The Effect of Changes in Foreign Exchange Rates", the Company had already opted to adjust the exchange fluctuations on long-term monetary items to the carrying cost of fixed assets. Further as per paragraph 46A, inserted vide notification dated December 29, 2011 to AS-11, the Company has adjusted ₹ 8.08 crore being the loss on exchange fluctuation on long-term monetary items for the year ended March 31, 2015 to carrying cost of fixed assets. The unamortised foreign exchange fluctuation capitalised to fixed assets, amounts to ₹ 355.34 crore as at March 31, 2015.
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 existing 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 MRA. The cut-off date for restructuring under JLF route is July 31, 2014.
- b) The Company and JLF Lenders have executed the MRA during the year. 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, 2015 payable to the JLF lenders as per MRA is approximately ₹ 17.98 crore for the Company.
- c) 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 ₹ 175 crore has been brought by promoters as unsecured loan till March 31, 2015. Interest on the unsecured loan of promoters, if any, payable shall be determined after the restructuring period is completed.
- d) As per the terms of MRA, interest payable on the term loan for the period from August 01, 2014 to July 31, 2016 would be converted into Funded Interest Term Loan (FITL). 70% of FITL shall be converted into equity. The shareholders approved the preferential issue of shares to lenders through postal ballot. Part of the FITL, has been converted into equity by allotment of 17,08,41,266 equity shares to lenders on March 30, 2015 at the premium of ₹ 20.77 per share. Company would issue further equity for conversion of balance FITL as and when demanded by the lenders. Since there is uncertainty on the number of shares which shall be issued pursuant to such conversion, the computation of which is dependent on the provisions of applicable guidelines of SEBI, the possible impact of the same on the diluted earnings per share of the company has not been given.
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 14
  - Loans given to subsidiaries are given under note 20
  - Loans given to others and guarantees / securities given by the Company as at March 31, 2015 are as under:

| Sr. No. | Name of the Company                    | Nature                       | As at<br>March 31, 2015<br>₹ Crore | As at<br>March 31, 2014<br>₹ Crore |
|---------|----------------------------------------|------------------------------|------------------------------------|------------------------------------|
| (i)     | Ojas Industries Private Ltd.           | Loan for business purposes   | 359.43                             | 133.54                             |
| (ii)    | Lalitpur Power Generation Company Ltd. | Guarantee / securities given | 759.99                             | 755.13                             |
| (iii)   | Bajaj Power Generation Private Ltd.    | Guarantee given              | 99.00                              | 99.00                              |
| (iv)    | Bajaj Energy Private Limited           | Guarantee / securities given | -                                  | 154.20                             |

42. The Company holds entire beneficial interest in BHL Securities Trust ("the Trust") that holds equity shares of the Company carried at ₹ 693.72 crore as at March 31, 2015, which were allotted to the Trust pursuant to the Scheme of Amalgamation of its erstwhile subsidiary Bajaj Hindusthan Sugar and Industries Ltd. with the Company as approved by the Hon'ble Bombay High Court. The market value of these shares as at March 31, 2015 is ₹ 44.78 crore, resulting into substantial diminution in its value. The Company also holds unquoted non-convertible Preference Shares at ₹ 350.04 crore and unquoted optionally convertible debentures at ₹ 370.48 crore as at March 31, 2015

in Phenil Sugars Ltd. whose net worth has been substantially eroded. However, based on the likely policy measures for the sugar industry by Central and State Governments, approval of debt restructuring schemes for the company as well as Phenil Sugars Ltd, and their resultant business outlook, the management is of the opinion that these diminution in value of investments are temporary in nature and will be recovered in the next few years with improved performance and therefore no provision for the same is made during the year.

43. From April 01, 2014, as per the new Companies Act, 2013, the Company has changed its method of providing depreciation with retrospective effect on tangible fixed assets other than Plant and Machinery and Aircraft, from the 'Written Down Value' method to 'Straight Line' method. Management believes that this change will result in more appropriate presentation and will give a systematic basis of depreciation charge, representative of the time pattern in which the economic benefits will be derived from the use of these assets and will be uniform with the method of depreciation provided for other assets. Accordingly, surplus arising from retrospective computation aggregating to ₹ 294.76 crore for the period upto March 31, 2014 has been accounted as per Accounting Standard (AS-6) and disclosed under exceptional item. Had the Company continued to use the earlier method of depreciation, the depreciation charge for the year would be higher by ₹ 108.38 crore.
44. For the sugar season 2014-15 the cane liability has been provided @ ₹ 280 per quintal (SAP declared by Government of Uttar Pradesh). The "financial assistance" on cane purchased receivable (subject to certain conditions) from the Government of Uttar Pradesh, pursuant to its letter No.2970 CD/46-3-14-3(48)/98-99 dated December 24, 2014, will be recognised by the Company as and when the Company becomes eligible.
45. Exceptional items includes ₹ 294.76 crore written back of depreciation due to change of method, ₹ 148.02 crore impairment of fixed assets of board division and ₹ 142.91 crore written off of current assets.
46. The Indian sugar industry has been adversely affected over past few years due to continuous operational losses incurred by the sugar mills. The wide gap between the high cost of sugarcane and low realisation from sugar particularly in the state of Uttar Pradesh have severely impacted the financial and economic condition of the sugar mills. The surplus production as compared to the domestic consumption year after year coupled with lower international prices has kept the domestic sugar prices subdued. These factors coupled with high interest burden significantly impacted the performance and cash flows of the Company and its subsidiaries.  
  
The Company has incurred cash losses in the current year and also during the immediately preceding financial year. The accumulated losses have resulted into erosion of considerable net worth of the Company. However, with the approval of scheme for restructuring of existing credit facilities by the lender banks of the Company in accordance with RBI's "*Framework for Revitalising Distressed Assets in the Economy*", during the year and certain key policy decisions and reliefs for sugar mills being contemplated by the governments, the Management expects to improve operating cash flows through cost synergies, revenue management, improved realisations, etc. These measures are expected to result in sustainable cash flows and accordingly the Financial Statements continue to be presented on a going concern basis, which contemplates realisation of assets and settlement of liabilities in the normal course of business.
47. Figures for the current year are of 12 months from April 01, 2014 to March 31, 2015, whereas figures for the previous period are for 18 months for period from October 01, 2012 to March 31, 2014, hence such figures are not comparable. Previous period figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosures.
48. As per Accounting Standard (AS) 17 on "Segment Reporting", segment information has been provided under the notes to Consolidated Financial Statements.

Signatures to Notes "1" to "48"

As per our report of even date

**For Chaturvedi & Shah**  
Firm Registration No.: 101720W  
Chartered Accountants

**Amit Chaturvedi**  
Partner  
Membership No. 103141  
Mumbai, May 28, 2015

**Ved Prakash Agrawal**  
Chief Financial Officer

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

For and on behalf of the Board

**Kushagra Bajaj**  
Chairman & Managing Director

**M. L. Apte**  
**R. V. Ruia**  
**D. K. Shukla**  
**A. K. Gupta**  
**Kiran Anuj**  
Directors

# Independent Auditors' Report

## To The Members of Bajaj Hindusthan Sugar Limited

### Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **BAJAJ HINDUSTHAN SUGAR LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associate, comprising of the Consolidated Balance Sheet as at March 31, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

### Management's responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Associate in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group and of its associate 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; the selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design,

implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

### Auditors' responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in

terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associate as at March 31, 2015, and their consolidated losses and their consolidated cash flows for the year ended on that date.

### Emphasis of matter

1. We draw attention to note 30 (l) (a) (iv) and note 36 (b) of the accompanying consolidated financial statements in respect of contingency related to recompense payable in lieu of bank sacrifices, the outcome of which is materially uncertain and cannot be determined currently.
2. As stated in note 37 of the accompanying consolidated financial statements, the Holding Company carries investment of ₹ 693.72 crore by way of beneficial interest in trust. Also, Holding Company has investment of ₹ 720.52 crore in Preference Shares and Debentures of Phenil Sugars Limited. The realisable value of these investments has reduced substantially. For the reasons stated in the notes and in view of long-term nature of these investments, management does not expect any provision for permanent diminution in value of these investments.

### Other matters

1. Financial statements of three subsidiaries, whose financial statements reflect total assets of ₹ 1,290.17 crore as at March 31, 2015, total revenues of ₹ 11.13 crore and net cash outflows amounting to ₹ 1.90 crore for the year ended on that date, as considered in the consolidated financial statements. These financial statements of subsidiary companies 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-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

2. We have relied on the unaudited financial statements of two subsidiaries whose financial statements reflect total assets of ₹ 4.04 crore as at March 31, 2015, total revenue of ₹ 0.00 crore (₹ 2,977/-) and net cash outflows amounting to ₹ 0.35 crore for the year then ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss of ₹ 0.16 crore for the year ended March 31, 2015, in respect of one associate, whose financial statements have not been audited by us. 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 associate, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries and associates, 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 and the financial statements certified by the Management.

### Report on other legal and regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Holding company and subsidiary companies incorporated in India, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable. In respect of one associate incorporated in India, which have been included in the consolidated financial statements based on

the unaudited financial statement of such entity provided to us by the Management. Hence, no report under Order are available in respect of such entity, and accordingly, possible effects of the same on our reporting under Order have not been considered.

2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- (b) 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, 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, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of subsidiary companies incorporated in India, none of the directors of holding company and its subsidiary companies incorporated in India is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) 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:

- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group referred to in Note 30 (I) (a) to the consolidated financial statements.
- ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies in India.

For **Chaturvedi & Shah**  
Chartered Accountants  
Registration No.: 101720W

**Amit Chaturvedi**  
Partner  
Membership No. 103141

Place: Mumbai

Dated: May 28, 2015



**ANNEXURE TO INDEPENDENT AUDITORS'  
REPORT REFERRED TO IN PARAGRAPH 1  
UNDER THE HEADING OF "REPORT ON OTHER  
LEGAL AND REGULATORY REQUIREMENTS" OF  
OUR REPORT OF EVEN DATE**

- i) In respect of its fixed assets of holding company and subsidiary companies incorporated in India:
  - a) The respective entities have maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - b) The fixed assets were physically verified during the year by the Management of the respective entities in accordance with a regular programme of verification which, in our opinion and the opinion of other auditor, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us and the other auditor, no material discrepancies were noticed on such verification.
- ii) In respect of its inventories:
  - a) The inventories have been physically verified during the year by the management of Holding Company. In our opinion, the frequency of verification is reasonable.
  - b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Holding Company and the nature of its business.
  - c) The Holding Company has maintained proper records of inventories. As explained to us, there were no material discrepancies noticed on physical verification of inventories as compared to the book records.
- iii) The Holding Company and subsidiary companies incorporated in India have not granted any loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013 by the respective entities.  
  
Therefore, the provisions of clause (iii) of paragraph 3 of the Order are not applicable to the Holding Company and its subsidiary companies.
- iv) In our opinion and the opinion of the other auditors and according to the information and explanations

given to us and to other auditors, there is an adequate internal control system commensurate with the size of the Holding Company and its subsidiary companies and the nature of its business for the purchases of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we and the other auditors have not observed any continuing failure to correct major weaknesses in such internal control system.

- v) According to the information and explanations given to us and the other auditors, the Holding Company and its subsidiary companies have not accepted any deposit within the meaning of provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Therefore, the provisions of clause (v) of paragraph 3 of the Order are not applicable to the Holding Company and its subsidiary companies.
- vi) To the best of our knowledge and as explained, the Holding 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 product 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 cost records with a view to determine whether they are accurate. As per the information given to other auditors, the provision of the Companies (Cost Records and Audit) Rules, 2014 are not applicable to subsidiaries incorporated in India.
- vii) In respect of statutory dues:
  - a) According to us and the other auditors and according to the records of the Holding Company, its subsidiary companies, undisputed statutory dues including Provident Fund, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess, and any other statutory dues applicable, have been regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2015 for a period more than six months from the date of becoming payable.
  - b) On the basis of examination of accounts and documents on records of the Holding Company and subsidiaries by us and other auditors and information and explanations given to us and



other auditors upon enquiries in this regard, the disputed amounts payable in respect of Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty and Excise Duty/Cess not deposited with the appropriated authorities are as under:

| Name of statute                                                           | Nature of dues             | Amount (₹ in crore) | Period                                                 | Forum where dispute is pending                     |
|---------------------------------------------------------------------------|----------------------------|---------------------|--------------------------------------------------------|----------------------------------------------------|
| Central Sales Tax Act, 1956, and Sales Tax Act/ VAT Act of various states | Sales Tax, VAT & Entry Tax | 2.80                | Various Years from 1997-98 to 2013-14                  | Deputy/ Joint commissioner/ Commissioner (Appeals) |
|                                                                           |                            | 57.50               | Various Years 1982-83 to 2013-14                       | Sales Tax Appellate Tribunal                       |
|                                                                           |                            | 3.52                | Various Years from 1989-90 to 2010-11                  | High Court                                         |
| Central Excise Act, 1944                                                  | Excise and Service Tax     | 1.26                | Various Years from 1981-82 to 2012-13                  | Commissioner of Central Excise (Appeals)           |
|                                                                           |                            | 18.74               | Various Years from 2002-03 to 2012-13                  | Central Excise and Service Tax Tribunal            |
|                                                                           |                            | 0.31                | Various Years from 1981-82 to 2010-11                  | High Court                                         |
|                                                                           |                            | 5.59                | Various Years from 2004-05 to 2005-06                  | Supreme Court                                      |
| Income Tax Act, 1961                                                      | Income Tax                 | 9.59                | Assessment Years 2006-07 & 2007-08                     | Commissioner of Income Tax (Appeal)                |
|                                                                           |                            | 8.90                | Various Assessment Years from 2010-11 to 2015-16 (TDS) | Commissioner of Income Tax (Appeal)                |
|                                                                           | <b>Total</b>               | <b>108.21</b>       |                                                        |                                                    |

c. There were no amounts in Holding Company, its subsidiary companies which were required to be transferred during the year to the investor education and protection fund under the provision of Companies Act, 1956 and rules made thereunder.

viii) The Group has consolidated accumulated losses more than fifty percent of its net worth on a consolidated basis at the end of the financial year and the Group has incurred cash losses on a consolidated basis during the financial year covered under our audit and in the immediately preceding financial year.

ix) Based on our audit procedures, information and explanations given by the management and considering the corrective action plan for restructuring of existing credit facilities of the Holding Company approved under JLF route in accordance with the applicable framework and guidelines issued by RBI, we are of the opinion that the Holding Company has not defaulted in repayment of dues to financial institutions and banks. The Holding Company, its subsidiary companies have not issued debentures.

x) In our opinion and according to information and explanation given to us, the Holding Company has given guarantee for loans taken by subsidiary/ Associate from Banks. The terms and conditions whereof in our opinion are not prima facie prejudicial to the interest of the Holding Company. The subsidiary companies of Holding company have not given any guarantee for loans taken by others from bank or financial institution.

xi) Based on the information and explanation given to us by the management, the term loans were applied for the purpose for which the loans were raised by the Holding Company.

xii) In our opinion and according to the information and explanations given to us, no material fraud on or by the Holding Company and its subsidiary companies has been noticed or reported during the year.

For **Chaturvedi & Shah**  
Chartered Accountants  
Registration No.: 101720W

**Amit Chaturvedi**  
Partner  
Membership No. 103141

Place: Mumbai

Dated: May 28, 2015

## Consolidated Balance Sheet as at March 31, 2015

| Particulars                           | Note | As at<br>March 31, 2015<br>₹ Crore | As at<br>March 31, 2014<br>₹ Crore |
|---------------------------------------|------|------------------------------------|------------------------------------|
| <b>EQUITY AND LIABILITIES:</b>        |      |                                    |                                    |
| <b>Shareholders' funds</b>            |      |                                    |                                    |
| Share capital                         | 3    | 81.02                              | 63.94                              |
| Reserves and surplus                  | 4    | 1,439.37                           | 2,304.62                           |
| <b>Sub total</b>                      |      | <b>1,520.39</b>                    | <b>2,368.56</b>                    |
| <b>Minority interest (₹ 27,833/-)</b> |      | <b>0.00</b>                        | <b>0.01</b>                        |
| <b>Non-current liabilities</b>        |      |                                    |                                    |
| Long-term borrowings                  | 5    | 7,111.34                           | 2,509.57                           |
| Other long-term liabilities           | 7    | 1.73                               | 181.13                             |
| Long-term provisions                  | 8    | 26.58                              | 41.37                              |
| <b>Sub total</b>                      |      | <b>7,139.65</b>                    | <b>2,732.07</b>                    |
| <b>Current liabilities</b>            |      |                                    |                                    |
| Short-term borrowings                 | 9    | 147.15                             | 3,076.14                           |
| Trade payables                        | 10   | 2,791.71                           | 2,816.30                           |
| Other current liabilities             | 11   | 113.77                             | 1,256.34                           |
| Short-term provisions                 | 12   | 93.79                              | 100.94                             |
| <b>Sub total</b>                      |      | <b>3,146.42</b>                    | <b>7,249.72</b>                    |
| <b>Total</b>                          |      | <b>11,806.46</b>                   | <b>12,350.36</b>                   |
| <b>ASSETS:</b>                        |      |                                    |                                    |
| <b>Non-current assets</b>             |      |                                    |                                    |
| <b>Fixed assets</b>                   |      |                                    |                                    |
| Tangible assets                       | 13   | 4,898.71                           | 4,996.13                           |
| Intangible assets                     | 13   | 45.70                              | 63.01                              |
| Capital work-in-progress              | 13   | 17.97                              | 17.25                              |
| Non-current investments               | 14   | 2,450.93                           | 2,333.58                           |
| Deferred tax assets (net)             | 6    | 4.02                               | 4.82                               |
| Long-term loans and advances          | 15   | 302.92                             | 311.08                             |
| Other non-current assets              | 16   | 12.27                              | 9.67                               |
| <b>Sub total</b>                      |      | <b>7,732.52</b>                    | <b>7,735.54</b>                    |
| <b>Current assets</b>                 |      |                                    |                                    |
| Inventories                           | 17   | 2,179.29                           | 2,673.50                           |
| Trade receivables                     | 18   | 163.34                             | 215.67                             |
| Cash and bank balances                | 19   | 89.36                              | 131.78                             |
| Short-term loans and advances         | 20   | 1,007.03                           | 1,071.69                           |
| Other current assets                  | 21   | 634.92                             | 522.18                             |
| <b>Sub total</b>                      |      | <b>4,073.94</b>                    | <b>4,614.82</b>                    |
| <b>Total</b>                          |      | <b>11,806.46</b>                   | <b>12,350.36</b>                   |

See accompanying notes (1 to 44) to the financial statements.

As per our report of even date

For and on behalf of the Board

**For Chaturvedi & Shah**  
Firm Registration No.: 101720W  
Chartered Accountants

**Kushagra Bajaj**  
Chairman & Managing Director

**Amit Chaturvedi**  
Partner  
Membership No. 103141  
Mumbai, May 28, 2015

**Ved Prakash Agrawal**  
Chief Financial Officer

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

**M. L. Apte**  
**R. V. Ruia**  
**D. K. Shukla**  
**A. K. Gupta**  
**Kiran Anuj**  
Directors

## Consolidated Statement of Profit and Loss for the year ended March 31, 2015

| Particulars                                                   | Note | Year ended<br>March 31, 2015<br>₹ Crore | 18 months ended<br>March 31, 2014<br>₹ Crore |
|---------------------------------------------------------------|------|-----------------------------------------|----------------------------------------------|
| <b>INCOME:</b>                                                |      |                                         |                                              |
| Revenue from operations                                       | 22   | 4,535.35                                | 6,645.36                                     |
| Other income                                                  | 23   | 38.70                                   | 23.60                                        |
| <b>Total Income</b>                                           |      | <b>4,574.05</b>                         | <b>6,668.96</b>                              |
| <b>EXPENSES:</b>                                              |      |                                         |                                              |
| Purchases and materials consumed                              | 24   | 3,704.54                                | 7,815.33                                     |
| Changes in inventories of finished goods and work-in-progress | 25   | 432.75                                  | (2,075.88)                                   |
| Employee benefits expense                                     | 26   | 179.80                                  | 316.52                                       |
| Finance costs (net)                                           | 27   | 807.64                                  | 1,049.12                                     |
| Depreciation and amortisation expense                         | 28   | 257.67                                  | 555.74                                       |
| Other expenses                                                | 29   | 386.80                                  | 689.46                                       |
| <b>Total Expenses</b>                                         |      | <b>5,769.20</b>                         | <b>8,350.29</b>                              |
| <b>Profit/(Loss) before exceptional items and tax</b>         |      | <b>(1,195.15)</b>                       | <b>(1,681.33)</b>                            |
| Exceptional items                                             |      |                                         |                                              |
| Others (refer note 40)                                        |      | (3.84)                                  | -                                            |
| Surplus on cessation of subsidiary/associate                  |      | -                                       | 4.44                                         |
| <b>Profit/(Loss) before tax</b>                               |      | <b>(1,191.31)</b>                       | <b>(1,685.77)</b>                            |
| <b>Tax expenses</b>                                           |      |                                         |                                              |
| Current tax                                                   |      | -                                       | -                                            |
| Deferred tax                                                  | 6    | 0.80                                    | (0.18)                                       |
| Reversal of MAT credit entitlement of earlier year            |      | 0.18                                    | 11.11                                        |
| Tax relating to earlier year                                  |      | -                                       | 13.98                                        |
|                                                               |      | <b>0.98</b>                             | <b>24.91</b>                                 |
| <b>Profit/(Loss) after tax</b>                                |      | <b>(1,192.29)</b>                       | <b>(1,710.68)</b>                            |
| Less: Minority interest (₹ 46,252/-)                          |      | 0.00                                    | 1.49                                         |
| Add: Share of profit/(loss) of associate after tax            |      | (0.16)                                  | 84.51                                        |
| <b>Profit/(Loss) attributable to consolidated group</b>       |      | <b>(1,192.45)</b>                       | <b>(1,624.68)</b>                            |
| <b>Earnings per equity share of face value of ₹ 1/- each</b>  |      |                                         |                                              |
| Basic and Diluted                                             | 31   | <b>(18.62)</b>                          | <b>(25.41)</b>                               |

See accompanying notes (1 to 44) to the financial statements.

As per our report of even date

**For Chaturvedi & Shah**  
Firm Registration No.: 101720W  
Chartered Accountants

**Amit Chaturvedi**  
Partner  
Membership No. 103141

Mumbai, May 28, 2015

**Ved Prakash Agrawal**  
Chief Financial Officer

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

For and on behalf of the Board

**Kushagra Bajaj**  
Chairman & Managing Director

**M. L. Apte**  
**R. V. Ruia**  
**D. K. Shukla**  
**A. K. Gupta**  
**Kiran Anuj**  
Directors

## Consolidated Cash Flow Statement for the year ended March 31, 2015

| Particulars                                                                      | Year ended<br>March 31, 2015<br>₹ Crore | 18 months ended<br>March 31, 2014<br>₹ Crore |
|----------------------------------------------------------------------------------|-----------------------------------------|----------------------------------------------|
| <b>A. Cash flow from operating activities:</b>                                   |                                         |                                              |
| Net profit/ (loss) before tax                                                    | (1,191.31)                              | (1,681.33)                                   |
| Adjustment for:                                                                  |                                         |                                              |
| Depreciation and amortisation                                                    | 257.67                                  | 555.74                                       |
| Reversal of depreciation due to change in method of depreciation                 | (294.77)                                | -                                            |
| Impairment of fixed assets                                                       | 148.02                                  | -                                            |
| Unrealised (gain)/loss due to foreign exchange fluctuation                       | (14.67)                                 | 18.40                                        |
| Loss/ (surplus) on sale of fixed assets (net)                                    | (2.28)                                  | (15.12)                                      |
| Finance costs                                                                    | 889.01                                  | 1,128.58                                     |
| Dividend received (Nil, P.Y. ₹ 2/-)                                              | -                                       | 0.00                                         |
| Profit on sale of non current investment                                         | (25.20)                                 | (0.00)                                       |
| Loss on sale of non current investment                                           | -                                       | 0.01                                         |
| Interest income                                                                  | (81.37)                                 | (79.46)                                      |
| Employee's compensation expenses (ESOP cost)                                     | (13.54)                                 | (1.76)                                       |
|                                                                                  | <u>862.87</u>                           | <u>1,606.39</u>                              |
| Operating profit before working capital changes                                  | (328.44)                                | (74.94)                                      |
| Adjustment for:                                                                  |                                         |                                              |
| Trade and other receivables                                                      | (48.53)                                 | (90.04)                                      |
| Inventories                                                                      | 494.21                                  | (2,115.26)                                   |
| Trade and other payables                                                         | (493.27)                                | 3,343.41                                     |
| Cash generated from operations                                                   | (376.03)                                | 1,063.17                                     |
| Direct taxes paid                                                                | 11.00                                   | 0.22                                         |
| <b>Net cash (used in)/ from operating activities</b>                             | <u>(365.03)</u>                         | <u>1,063.39</u>                              |
| <b>B. Cash flow from investing activities:</b>                                   |                                         |                                              |
| Purchase of fixed assets                                                         | (15.52)                                 | (3,745.18)                                   |
| Sale of fixed assets                                                             | 8.43                                    | 19.75                                        |
| Sale of investments                                                              | -                                       | 75.92                                        |
| On acquisition of subsidiaries                                                   | -                                       | (88.80)                                      |
| Movement in loans and advances                                                   | (200.01)                                | (387.07)                                     |
| Dividend received (Nil, P.Y. ₹ 2/-)                                              | -                                       | 0.00                                         |
| Interest received                                                                | 28.46                                   | 17.56                                        |
| Share application money/advance against share application money (given/refunded) | -                                       | 139.04                                       |
| Exchange fluctuation reserve on consolidation                                    | (0.47)                                  | 3.92                                         |
| <b>Net cash (used in) investing activities</b>                                   | <u>(179.11)</u>                         | <u>(3,964.86)</u>                            |
| <b>C. Cash flow from financing activities:</b>                                   |                                         |                                              |
| Proceeds from long-term borrowings                                               | 457.23                                  | 7,564.06                                     |
| Repayment of long-term borrowings                                                | (431.34)                                | (1,195.59)                                   |
| Proceeds from short-term borrowings (net of repayments)                          | 838.08                                  | (3,067.87)                                   |
| Share application/advance against share application money received               | -                                       | 615.00                                       |
| Share issue expenses                                                             | (0.41)                                  | -                                            |
| Interest paid                                                                    | (387.42)                                | (1,167.21)                                   |
| Dividend paid (including tax thereon)                                            | (0.10)                                  | (7.05)                                       |
| <b>Net cash from financing activities</b>                                        | <u>476.04</u>                           | <u>2,741.34</u>                              |
| Net increase/(decrease) in cash and cash equivalents                             | (68.10)                                 | (160.13)                                     |
| Cash and cash equivalents (opening balance)                                      | 129.31                                  | 509.59                                       |
| Cash and cash equivalents on acquisition of subsidiaries                         | -                                       | 0.54                                         |
| Cash and cash equivalents on cessation of subsidiary                             | -                                       | (220.69)                                     |
| <b>Cash and cash equivalents (closing balance) (refer note 19)</b>               | <u>61.21</u>                            | <u>129.31</u>                                |

Notes:

1. The above cash flow statement has been prepared under the "Indirect Method" as per Accounting Standard-3.
2. Figures in brackets indicate cash outflow and without brackets indicate cash inflow.

As per our report of even date

For and on behalf of the Board

**For Chaturvedi & Shah**  
Firm Registration No.: 101720W  
Chartered Accountants

**Kushagra Bajaj**  
Chairman & Managing Director

**Amit Chaturvedi**  
Partner  
Membership No. 103141

**Ved Prakash Agrawal**  
Chief Financial Officer

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

**M. L. Apte**  
**R. V. Ruia**  
**D. K. Shukla**  
**A. K. Gupta**  
**Kiran Anuj**  
Directors

Mumbai, May 28, 2015

## Notes forming part of financial statements

### 1. Corporate information

Bajaj Hindusthan Sugar Limited ('the Company') is a public limited company incorporated in India. Its shares are listed on Bombay Stock Exchange and National Stock Exchange. The Company is engaged in the manufacture of sugar, alcohol and generation of power.

The name of the Company has been changed from Bajaj Hindusthan Limited to Bajaj Hindusthan Sugar Limited w.e.f. January 30, 2015.

### 2. Significant accounting policies

#### 2.1 Basis of accounting:

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under Section 133 of the Companies Act, 2013 ('the Act'), read together with paragraph 7 of the Companies (Accounts) Rules, 2014.

The financial statements have been prepared on an accrual basis and under the historical cost convention, except for certain Fixed Assets which are carried at revalued amounts. The financial statements are presented in Indian rupees rounded off to the nearest rupees in crore.

#### 2.2 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 Accounting Standard - 21 "Consolidated Financial Statements" and Accounting Standard - 23 "Accounting for Investments in Associates in 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

- (ii) Companies considered in the consolidated financial statements are:

| Name of the Company                       | Country of incorporation | Holding as on March 31, 2015 | Financial Year ends on |
|-------------------------------------------|--------------------------|------------------------------|------------------------|
| <b>Subsidiaries:</b>                      |                          |                              |                        |
| Bajaj Aviation Private Ltd.               | India                    | 100.00%                      | 31.03.2015             |
| Bajaj Power Generation Private Ltd.       | India                    | 100.00%                      | 31.03.2015             |
| Bajaj Hindusthan (Singapore) Private Ltd. | Singapore                | 100.00%                      | 31.03.2015             |
| PT. Batu Bumi Persada #                   | Indonesia                | 99.00%                       | 31.12.2014             |
| PT. Jangkar Prima #                       | Indonesia                | 99.88%                       | 31.12.2014             |
| <b>Associates:</b>                        |                          |                              |                        |
| Bajaj Ebiz Private Ltd. *                 | India                    | 49.50%                       | 31.03.2015             |
| Lalitpur Power Generation Company Ltd.    | India                    | 20.97%                       | 31.03.2015             |

# Management has compiled the accounts for year ended March 31, 2015, 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). Hence, no further adjustment in the value of investment is required to be made in the consolidated financial statement.

- (iii) Other significant accounting policies are set out in the respective notes to account under "Notes to Financial Statements" of the Company and subsidiary companies.

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 Accounting Standard - 23.
- 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 as goodwill, which is written off over a period of five years. 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 non - integral 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.
- Minority 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. Minority 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.

|                                                             | As at<br>March 31, 2015<br>₹ Crore | As at<br>March 31, 2014<br>₹ Crore |
|-------------------------------------------------------------|------------------------------------|------------------------------------|
| <b>3. Share capital</b>                                     |                                    |                                    |
| <b>Authorised:</b>                                          |                                    |                                    |
| 2,71,00,00,000 (2,71,00,00,000) Equity Shares of ₹ 1/- each | 271.00                             | 271.00                             |
|                                                             | <u>271.00</u>                      | <u>271.00</u>                      |
| <b>Issued:</b>                                              |                                    |                                    |
| 85,59,12,599 (68,50,71,333) Equity Shares of ₹ 1/- each     | 85.59                              | 68.51                              |
|                                                             | <u>85.59</u>                       | <u>68.51</u>                       |
| <b>Subscribed and Paid-up:</b>                              |                                    |                                    |
| 81,02,41,177 (63,93,99,911) Equity Shares of ₹ 1/- each     | 81.02                              | 63.94                              |
|                                                             | <u>81.02</u>                       | <u>63.94</u>                       |

(i) Detail of shares allotted without payment being received in cash during five years immediately preceding the Balance Sheet date are given below:

- 3,70,00,000 (3,70,00,000) Equity Shares have been issued, for consideration other than cash to the members of erstwhile Bajaj Hindusthan Sugar and Industries Limited pursuant to Scheme of Amalgamation.
- 17,08,41,266 (Nil) 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).

(ii) The reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year:

|                                                                      | As at<br>March 31, 2015<br>No. of Shares | As at<br>March 31, 2014<br>No. of Shares |
|----------------------------------------------------------------------|------------------------------------------|------------------------------------------|
| Equity Shares (with voting rights) at the beginning of the year      | 63,93,99,911                             | 63,93,99,911                             |
| Add: Shares issued on conversion of Funded Interest Term Loan (FITL) | <u>17,08,41,266</u>                      | -                                        |
| Equity Shares at the end of the year                                 | <u>81,02,41,177</u>                      | <u>63,93,99,911</u>                      |

(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:

| S.No. | Name of Shareholders                     | As at<br>March 31, 2015 |        | As at<br>March 31, 2014 |        |
|-------|------------------------------------------|-------------------------|--------|-------------------------|--------|
|       |                                          | No. of Shares           | % held | No. of Shares           | % held |
| 1.    | Bajaj Resources Ltd.                     | 8,19,44,455             | 10.11% | 8,19,44,455             | 12.82% |
| 2.    | Trustees-Shishir Bajaj Family Trust      | 6,49,48,632             | 8.02%  | 6,49,48,632             | 10.16% |
| 3.    | Global World Power Projects Private Ltd. | 4,11,11,121             | 5.07%  | 4,11,11,121             | 6.43%  |
| 4.    | Life Insurance Corporation of India      | 4,10,26,922             | 5.06%  | 4,10,26,922             | 6.42%  |

(v) Option on unissued share capital:

Under Master Restructuring Agreement (MRA) lenders would convert 70% of the funded interest on term loan (FITL) into equity shares in various tranches. (refer note 36)

(vi) On May 15, 2015, 65,12,669 Equity Shares of ₹ 1/- has been issued at a premium of ₹ 20.77 per share (total ₹ 21.77 per share) to a lender on conversion of FITL of ₹ 14.18 crore.

|                                                                                                                  | As at<br>March 31, 2015<br>₹ Crore | As at<br>March 31, 2014<br>₹ Crore |
|------------------------------------------------------------------------------------------------------------------|------------------------------------|------------------------------------|
| <b>4. Reserves and surplus</b>                                                                                   |                                    |                                    |
| <b>Capital redemption reserve</b>                                                                                |                                    |                                    |
| Opening balance                                                                                                  | 0.05                               | 0.05                               |
| Closing balance                                                                                                  | 0.05                               | 0.05                               |
| <b>Securities premium</b>                                                                                        |                                    |                                    |
| Opening balance                                                                                                  | 3,857.23                           | 3,857.06                           |
| Issue of equity shares                                                                                           | 354.84                             | -                                  |
| Changes in provision of premium & withholding tax thereon<br>on redemption of FCCBs                              | 1.94                               | (0.52)                             |
| On cessation of subsidiary                                                                                       | -                                  | 0.69                               |
| Expenses related to issue of equity share capital                                                                | (0.41)                             | -                                  |
| Closing balance                                                                                                  | 4,213.60                           | 3,857.23                           |
| <b>General reserve</b>                                                                                           |                                    |                                    |
| Opening balance                                                                                                  | 155.47                             | 154.88                             |
| Transferred from reserve for molasses storage tanks                                                              | 0.05                               | 0.59                               |
| Closing balance                                                                                                  | 155.52                             | 155.47                             |
| <b>Reserve for molasses storage tanks</b>                                                                        |                                    |                                    |
| Opening balance                                                                                                  | 2.32                               | 2.36                               |
| Transferred from statement of profit & loss                                                                      | 0.28                               | 0.55                               |
| Transferred to general reserve                                                                                   | (0.05)                             | (0.59)                             |
| Closing balance                                                                                                  | 2.55                               | 2.32                               |
| <b>Stock option outstanding</b>                                                                                  |                                    |                                    |
| Opening balance                                                                                                  | 13.54                              | 15.30                              |
| Stock option lapsed during the year                                                                              | (13.54)                            | (1.76)                             |
| Closing balance                                                                                                  | -                                  | 13.54                              |
| <b>Exchange Fluctuation Reserve on consolidation of overseas subsidiaries</b>                                    |                                    |                                    |
| Opening balance                                                                                                  | 10.36                              | 6.44                               |
| Change during the year                                                                                           | (0.47)                             | 3.92                               |
| Closing balance                                                                                                  | 9.89                               | 10.36                              |
| <b>Statement of profit and loss [surplus/(deficit)]</b>                                                          |                                    |                                    |
| Opening balance                                                                                                  | (1,734.35)                         | (109.48)                           |
| Profit/(Loss) for the year                                                                                       | (1,192.45)                         | (1,624.68)                         |
| Dividend & dividend distribution tax written back                                                                | -                                  | 0.36                               |
| <b>Appropriations</b>                                                                                            |                                    |                                    |
| Transferred to reserve for molasses storage tanks                                                                | (0.28)                             | (0.55)                             |
| Carrying value of fixed assets adjusted (Useful life expired)<br>(Refer sub note (iv) of note 13 - Fixed assets) | (15.16)                            | -                                  |
| Closing balance                                                                                                  | (2,942.24)                         | (1,734.35)                         |
|                                                                                                                  | <b>1,439.37</b>                    | <b>2,304.62</b>                    |



|                                | As at<br>March 31, 2015<br>₹ Crore | As at<br>March 31, 2014<br>₹ Crore |
|--------------------------------|------------------------------------|------------------------------------|
| <b>5. Long-term borrowings</b> |                                    |                                    |
| <b>From banks</b>              |                                    |                                    |
| Secured                        | 6,876.09                           | 2,300.06                           |
|                                | <b>6,876.09</b>                    | <b>2,300.06</b>                    |
| <b>From related parties</b>    |                                    |                                    |
| Unsecured                      | 175.00                             | -                                  |
|                                | <b>175.00</b>                      | <b>-</b>                           |
| <b>From others</b>             |                                    |                                    |
| Secured                        | 59.47                              | 208.90                             |
| Unsecured                      | 0.78                               | 0.61                               |
|                                | <b>60.25</b>                       | <b>209.51</b>                      |
|                                | <b>7,111.34</b>                    | <b>2,509.57</b>                    |

**5.1 Maturity profile of term loans are set out below:**

₹ Crore

| Name of banks/<br>financial institutions            | Interest (%)    | Maturity profile                       |                                    |               |               |               |                   | Details of<br>securities  |
|-----------------------------------------------------|-----------------|----------------------------------------|------------------------------------|---------------|---------------|---------------|-------------------|---------------------------|
|                                                     |                 | Outstanding<br>as at March<br>31, 2015 | Current<br>Maturities<br>(0-1Year) | 2nd<br>Year   | 3rd<br>Year   | 4th<br>Year   | Beyond 4<br>Years |                           |
| <b>Term loans (Secured)</b>                         |                 |                                        |                                    |               |               |               |                   |                           |
| From Banks                                          | 12.50%          | 6,876.09                               | -                                  | 929.33        | 933.50        | 932.22        | 4,081.04          | Refer note<br>(i) below   |
| From others                                         |                 |                                        |                                    |               |               |               |                   |                           |
| Sugar Development Fund<br>(SDF)                     | 4.00%-<br>8.25% | 84.95                                  | 25.48                              | 26.00         | 16.74         | 8.46          | 8.27              | Refer note<br>(ii) below  |
| <b>Total - Secured</b>                              |                 | <b>6,961.04</b>                        | <b>25.48</b>                       | <b>955.33</b> | <b>950.24</b> | <b>940.68</b> | <b>4,089.31</b>   |                           |
| <b>Term loans (Unsecured)</b>                       |                 |                                        |                                    |               |               |               |                   |                           |
| From related parties                                |                 |                                        |                                    |               |               |               |                   |                           |
| Loan from promoters                                 |                 | 175.00                                 | -                                  | -             | -             | -             | 175.00            | Refer note<br>(iii) below |
| From others                                         |                 |                                        |                                    |               |               |               |                   |                           |
| Department of<br>Commercial Tax of Uttar<br>Pradesh | Interest free   | 1.66                                   | 0.88                               | 0.18          | 0.04          | -             | 0.56              |                           |
| <b>Total - Unsecured</b>                            |                 | <b>176.66</b>                          | <b>0.88</b>                        | <b>0.18</b>   | <b>0.04</b>   | <b>-</b>      | <b>175.56</b>     |                           |
| <b>Grand Total</b>                                  |                 | <b>7,137.70</b>                        | <b>26.36</b>                       | <b>955.51</b> | <b>950.28</b> | <b>940.68</b> | <b>4,264.87</b>   |                           |

**Details of securities:**

- Term Loans 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 of (both present & future) of the Company. The said loans are further secured by personal guarantee of Managing Director and corporate guarantee by a promoter group company, pledge of entire shares held by the promoters of the company.
- The Sugar Development Fund loan (SDF) from Government of India is secured on exclusive second charge basis, by hypothecation of the whole of movable fixed assets and properties and by mortgage on the whole of immovable fixed assets and properties of the concerned sugar unit of the Company.
- 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 ₹ 175 crore has been brought by promoters as unsecured loan till March 31, 2015. Interest if any, payable shall be determined after the restructuring period is completed.

|                                                    | As at<br>April 01, 2014<br>₹ Crore | During the<br>year<br>₹ Crore | As at<br>March 31, 2015<br>₹ Crore |
|----------------------------------------------------|------------------------------------|-------------------------------|------------------------------------|
| <b>6. Deferred tax liabilities/(assets) (net)</b>  |                                    |                               |                                    |
| <b>Deferred tax liabilities:</b>                   |                                    |                               |                                    |
| Depreciation and amortisation                      | 489.23                             | 38.78                         | 528.01                             |
|                                                    | <u>489.23</u>                      | <u>38.78</u>                  | <u>528.01</u>                      |
| <b>Deferred tax assets:</b>                        |                                    |                               |                                    |
| Provision for employee benefits                    | 12.81                              | 1.52                          | 14.33                              |
| Provision for doubtful debts/advances              | 0.09                               | -                             | 0.09                               |
| Carry forward losses and unabsorbed depreciation * | 481.15                             | 36.46                         | 517.61                             |
|                                                    | <u>494.05</u>                      | <u>37.98</u>                  | <u>532.03</u>                      |
| <b>Deferred tax liabilities/(assets) (net)</b>     | <u>(4.82)</u>                      | <u>0.80</u>                   | <u>(4.02)</u>                      |

\* Deferred tax assets on carry forward losses and unabsorbed depreciation relating to holding company is recognised to the extent of deferred tax liabilities on conservative basis.

|                                                        | As at<br>March 31, 2015<br>₹ Crore | As at<br>March 31, 2014<br>₹ Crore |
|--------------------------------------------------------|------------------------------------|------------------------------------|
| <b>7. Other long-term liabilities</b>                  |                                    |                                    |
| Security deposits from related parties (refer note 34) | 0.75                               | 0.75                               |
| Security deposits from others                          | 0.98                               | 0.98                               |
| Advance against sale of investment                     | -                                  | 179.40                             |
|                                                        | <u>1.73</u>                        | <u>181.13</u>                      |

#### 8. Long-term provisions

|                                |              |              |
|--------------------------------|--------------|--------------|
| Gratuity                       | 13.12        | 11.83        |
| Leave encashment               | 13.46        | 13.12        |
| Premium on redemption of FCCBs | -            | 16.42        |
|                                | <u>26.58</u> | <u>41.37</u> |

#### 9. Short-term borrowings

|                                  |               |                 |
|----------------------------------|---------------|-----------------|
| <b>Loan from banks</b>           |               |                 |
| Secured                          |               |                 |
| Funded Interest Term Loan (FITL) | 146.21        | -               |
| Working capital loan             | -             | 3,076.14        |
|                                  | <u>146.21</u> | <u>3,076.14</u> |
| <b>Loan from others</b>          |               |                 |
| Others                           | 0.94          | -               |
|                                  | <u>0.94</u>   | <u>-</u>        |
|                                  | <u>147.15</u> | <u>3,076.14</u> |

The Funded Interest Term Loan (FITL) is secured on first pari passu charge basis, by way of mortgage over all immovable fixed assets and hypothecation over all movable fixed assets (both present and future) of the Company, on first pari-passu charge by way of hypothecation over all current assets (both present & future) of the Company. The said loan is further secured by personal guarantee of Managing Director and corporate guarantee by a promoter group company, pledge of entire shares held by the promoters of the company.

|  | As at<br>March 31, 2015<br>₹ Crore | As at<br>March 31, 2014<br>₹ Crore |
|--|------------------------------------|------------------------------------|
|--|------------------------------------|------------------------------------|

**10. Trade payables**

|                                                                                                                                                                                                                                                                        |                 |                 |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|-----------------|
| Micro and small enterprises                                                                                                                                                                                                                                            | 0.57            | 0.12            |
| Others (Includes acceptances of ₹ Nil, P.Y. ₹ 278.12 crore)                                                                                                                                                                                                            | 2,791.14        | 2,816.18        |
|                                                                                                                                                                                                                                                                        | <u>2,791.71</u> | <u>2,816.30</u> |
| The details of amount outstanding to Micro and Small Enterprises based on available information with the company are as under:                                                                                                                                         |                 |                 |
| <b>Particulars</b>                                                                                                                                                                                                                                                     |                 |                 |
| The amounts remaining unpaid to micro and small suppliers as at the end of the year:                                                                                                                                                                                   |                 |                 |
| – Principal                                                                                                                                                                                                                                                            | 0.57            | 0.12            |
| – Interest                                                                                                                                                                                                                                                             | -               | -               |
| The amount of interest paid by the buyer as per the Micro Small and Medium Enterprises Development Act, 2006 (MSMED Act)                                                                                                                                               | 0.05            | 0.02            |
| The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting year.                                                                                                                                                    | 0.73            | 0.64            |
| 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 | -               | -               |

**11. Other current liabilities**

|                                                             |               |                 |
|-------------------------------------------------------------|---------------|-----------------|
| Current maturities of long-term borrowings (refer note 5.1) | 26.36         | 688.96          |
| Interest accrued but not due on borrowings                  | 4.82          | 21.35           |
| Unclaimed dividends #                                       | 0.68          | 0.77            |
| Other payables*                                             | 81.91         | 545.26          |
|                                                             | <u>113.77</u> | <u>1,256.34</u> |

# These figures do not include any amount due and outstanding to be credited to Investor Education and Protection Fund.

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

**12. Short-term provisions**

|                           |              |               |
|---------------------------|--------------|---------------|
| Gratuity                  | 6.21         | 7.18          |
| Leave encashment          | 2.66         | 2.56          |
| Provision for excise duty | 84.92        | 91.20         |
|                           | <u>93.79</u> | <u>100.94</u> |

The Company had recognised liability based on substantial degree of estimation for excise duty payable on clearance of goods lying in stock as on March 31, 2015 of ₹ 84.92 crore (P.Y. ₹ 91.20 crore) as per the estimated pattern of dispatches. During the year, ₹ 91.20 crore was utilised for clearance of goods. Provision recognised under this class for the year is ₹ 84.92 crore which is outstanding as on March 31, 2015. Actual outflow is expected in the next financial year.

## 13. Fixed Assets

₹ Crore

|                              | DESCRIPTION                            | GROSS BLOCK          |           |                          |                      | DEPRECIATION         |              |                          |                     | NET BLOCK            |                      |
|------------------------------|----------------------------------------|----------------------|-----------|--------------------------|----------------------|----------------------|--------------|--------------------------|---------------------|----------------------|----------------------|
| Sr. No.                      | Particulars                            | As at April 01, 2014 | Additions | Deductions & adjustments | As at March 31, 2015 | As at April 01, 2014 | For the Year | Deductions & adjustments | Upto March 31, 2015 | As at March 31, 2015 | As at March 31, 2014 |
| (A) Tangible Assets:         |                                        |                      |           |                          |                      |                      |              |                          |                     |                      |                      |
| 1.                           | Freehold Land                          | 446.38               | 0.31      | -                        | 446.69               | -                    | -            | -                        | -                   | 446.69               | 446.38               |
| 2.                           | Leasehold Land                         | 1.02                 | -         | -                        | 1.02                 | 0.13                 | 0.03         | -                        | 0.16                | 0.86                 | 0.89                 |
| 3.                           | Buildings                              | 1,278.10             | 1.84      | 6.94                     | 1,273.00             | 427.76               | 28.97        | 239.32                   | 217.41              | 1,055.59             | 850.34               |
| 4.                           | Plant & Machinery                      | 5,378.55             | 14.82     | 5.82                     | 5,387.55             | 1,796.19             | 197.96       | (106.11)                 | 2,100.26            | 3,287.29             | 3,582.36             |
| 5.                           | Furniture, Fixtures & Office Equipment | 54.84                | 0.26      | 9.51                     | 45.59                | 43.21                | 5.98         | 11.79                    | 37.40               | 8.19                 | 11.63                |
| 6.                           | Vehicles & Aircraft                    | 148.62               | 0.27      | 0.92                     | 147.97               | 44.09                | 7.50         | 3.71                     | 47.88               | 100.09               | 104.53               |
|                              | Total (A)                              | 7,307.51             | 17.50     | 23.19                    | 7,301.82             | 2,311.38             | 240.44       | 148.71                   | 2,403.11            | 4,898.71             | 4,996.13             |
| (B) Intangible Assets:       |                                        |                      |           |                          |                      |                      |              |                          |                     |                      |                      |
| 7.                           | Goodwill on consolidation              | 85.90                | -         | -                        | 85.90                | 23.02                | 17.18        | -                        | 40.20               | 45.70                | 62.88                |
| 8.                           | Computer Software                      | 3.44                 | -         | 3.42                     | 0.02                 | 3.31                 | 0.06         | 3.35                     | 0.02                | 0.00                 | 0.13                 |
|                              | Total (B)                              | 89.34                | -         | 3.42                     | 85.92                | 26.33                | 17.24        | 3.35                     | 40.22               | 45.70                | 63.01                |
|                              | Total (A+B)                            | 7,396.85             | 17.50     | 26.61                    | 7,387.74             | 2,337.71             | 257.68       | 152.06                   | 2,443.33            | 4,944.41             | 5,059.14             |
|                              | Previous Year Total                    | 7,288.93             | 215.67    | 107.75                   | 7,396.85             | 1,789.13             | 564.86       | 16.28                    | 2,337.71            | 5,059.14             | 5,499.80             |
| (C) Capital work-in-progress |                                        | 17.25                | 9.88      | 9.16                     | 17.97                | -                    | -            | -                        | -                   | 17.97                | 17.25                |
|                              | Grand Total (A+B+C)                    | 7,414.10             | 27.38     | 35.77                    | 7,405.71             | 2,337.71             | 257.68       | 152.06                   | 2,443.33            | 4,962.38             | 5,076.39             |
|                              | Previous Year Grand Total              | 9,108.24             | 4,327.65  | 6,021.79                 | 7,414.10             | 1,789.13             | 564.86       | 16.28                    | 2,337.71            | 5,076.39             |                      |

Notes:

- The Company had fair valued its certain fixed assets as at April 01, 2010 resulting into additions to gross block aggregating to ₹ 1,406.63 crore (which includes Land ₹ 283.93 crore, Building ₹ 137.42 crore and Plant & Machinery ₹ 985.28 crore). The additional depreciation on account of fair valuation of fixed assets aggregating to ₹ 54.95 crore (P.Y. ₹ 89.33 crore) has been debited to the statement of profit and loss.
- Deduction & adjustments under gross block - Plant & Machinery includes ₹ 1.37 crore received on account of capital subsidy from Ministry of New and Renewable Energy (U & I Group) Government of India.
- During the year an amount of ₹ 8.08 crore (P.Y. ₹ 59.92 crore) capitalised towards exchange fluctuation loss on foreign currency loans as per the Notification dated March 31, 2009 further amended vide notification dated December 29, 2011 issued by the Ministry of Corporate Affairs. (refer note 35)
- Pursuant to the enactment of Companies Act 2013, the Company has applied the estimated useful lives as specified in Schedule II to tangible fixed assets. Accordingly the unamortised carrying value is being depreciated / amortised over the revised / remaining useful lives. The written down value of Fixed Assets whose lives have expired as at April 01, 2014 of ₹ 15.16 crore have been adjusted in the opening balance of statement of profit and loss.
- Deductions and adjustments under depreciation includes ₹ 148.02 crore towards provision for impairment of assets of board division.
- Particulars of Capital work-in-progress:

| Particulars                                    | ₹ Crore              |           |                          |                      | ₹ Crore                                                  |        |
|------------------------------------------------|----------------------|-----------|--------------------------|----------------------|----------------------------------------------------------|--------|
|                                                | As at April 01, 2014 | Additions | Deductions & adjustments | As at March 31, 2015 |                                                          |        |
| Plant & machinery / Civil work-in-progress     | 12.04                | 8.92      | 9.16                     | 11.80                | Depreciation debited to the statement of profit and loss | 257.67 |
| <b>Preoperative project expenses:</b>          |                      |           |                          |                      | Depreciation debited to capital work-in-progress         | 0.01   |
| Rates and taxes                                | 2.08                 | -         | -                        | 2.08                 | Total depreciation for the year                          | 257.68 |
| Professional charges                           | 0.53                 | -         | -                        | 0.53                 |                                                          |        |
| Miscellaneous expenses                         | 0.29                 | -         | -                        | 0.29                 |                                                          |        |
| Interest and finance charges                   | 2.31                 | 0.95      | -                        | 3.26                 |                                                          |        |
| Depreciation                                   | -                    | 0.01      | -                        | 0.01                 |                                                          |        |
| <b>Sub Total preoperative project expenses</b> | 5.21                 | 0.96      | -                        | 6.17                 |                                                          |        |
| <b>Total</b>                                   | 17.25                | 9.88      | 9.16                     | 17.97                |                                                          |        |

|                                                                                                                                | As at<br>March 31, 2015<br>₹ Crore | As at<br>March 31, 2014<br>₹ Crore |
|--------------------------------------------------------------------------------------------------------------------------------|------------------------------------|------------------------------------|
| <b>14. Non-current investments</b>                                                                                             |                                    |                                    |
| <b>Trade investments</b>                                                                                                       |                                    |                                    |
| <b>In Equity Shares of associates</b>                                                                                          |                                    |                                    |
| <b>Unquoted, fully paid up</b>                                                                                                 |                                    |                                    |
| 1,54,39,900 (1,53,42,700) Shares of Lalitpur Power Generation Company Ltd. of ₹ 10/- each #                                    |                                    |                                    |
| Share in net assets                                                                                                            | 764.58                             | 764.58                             |
| Goodwill/ (Capital reserve)                                                                                                    | 0.69                               | 0.69                               |
| Investment made during the year                                                                                                | 4.86                               | -                                  |
| Equity investment in associate at cost                                                                                         | 770.13                             | 765.27                             |
| Share of loss of associate after tax                                                                                           | (0.29)                             | (0.13)                             |
|                                                                                                                                | <u>769.84</u>                      | <u>765.14</u>                      |
| 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)                             |
|                                                                                                                                | <u>-</u>                           | <u>-</u>                           |
|                                                                                                                                | <u>769.84</u>                      | <u>765.14</u>                      |
| <b>In Equity Shares of other companies</b>                                                                                     |                                    |                                    |
| <b>Unquoted, fully paid up</b>                                                                                                 |                                    |                                    |
| 5,000 (5,000) Shares of Esugarindia Clearing Corporation Ltd. of ₹ 10/- each                                                   | 0.01                               | 0.01                               |
| Less: Provision for diminution in value of investments                                                                         | (0.01)                             | (0.01)                             |
|                                                                                                                                | <u>-</u>                           | <u>-</u>                           |
| Nil (77,99,999) Shares of Bajaj Energy Private Ltd. of ₹ 10/- each                                                             | -                                  | 154.20                             |
|                                                                                                                                | <u>-</u>                           | <u>154.20</u>                      |
| <b>Total trade investments</b>                                                                                                 | <u>769.84</u>                      | <u>919.34</u>                      |
| <b>Non-trade investments</b>                                                                                                   |                                    |                                    |
| <b>In Preference Shares of other companies</b>                                                                                 |                                    |                                    |
| <b>Unquoted, fully paid up</b>                                                                                                 |                                    |                                    |
| 3,50,03,927 (3,50,03,927) 6% Redeemable Non Cumulative Non Convertible Preference Shares in Phenil Sugars Ltd. of ₹ 100/- each | 350.04                             | 350.04                             |
|                                                                                                                                | <u>350.04</u>                      | <u>350.04</u>                      |
| <b>In Debentures of other company</b>                                                                                          |                                    |                                    |
| <b>Unquoted, fully paid up</b>                                                                                                 |                                    |                                    |
| 3,70,48,321 (3,70,48,321) Zero Coupon Optionally Convertible Debentures of Phenil Sugars Ltd. of ₹ 100/- each                  | 370.48                             | 370.48                             |
| 2,66,85,000 (NIL) Zero Coupon Optionally Convertible Debentures of Lambodar Projects Private Ltd. of ₹ 100/- each              | 266.85                             | -                                  |
|                                                                                                                                | <u>637.33</u>                      | <u>370.48</u>                      |
| <b>Interest in a beneficiary trust</b>                                                                                         | 693.72                             | 693.72                             |
|                                                                                                                                | <u>693.72</u>                      | <u>693.72</u>                      |
| <b>Total Non-trade investments</b>                                                                                             | <u>1,681.09</u>                    | <u>1414.24</u>                     |
|                                                                                                                                | <u>2,450.93</u>                    | <u>2333.58</u>                     |
| Aggregate value of unquoted investment                                                                                         | 2,450.93                           | 2,333.58                           |

# These investments are pledged against loans taken by company/associate company.

|                                                                                               | As at<br>March 31, 2015<br>₹ Crore | As at<br>March 31, 2014<br>₹ Crore |
|-----------------------------------------------------------------------------------------------|------------------------------------|------------------------------------|
| <b>15. Long-term loans and advances</b>                                                       |                                    |                                    |
| (Unsecured considered good unless otherwise stated)                                           |                                    |                                    |
| Capital advances                                                                              | 249.68                             | 252.37                             |
| Security deposits                                                                             | 13.25                              | 13.59                              |
| Security deposit to related parties (refer note 34)                                           | 1.26                               | 1.26                               |
| Amount paid under protest                                                                     | 8.64                               | 2.75                               |
| Advance income tax (net of provisions)                                                        | 30.09                              | 41.11                              |
|                                                                                               | <u>302.92</u>                      | <u>311.08</u>                      |
| <b>16. Other non-current assets</b>                                                           |                                    |                                    |
| (Unsecured considered good)                                                                   |                                    |                                    |
| Fixed deposits *                                                                              | 3.66                               | 1.40                               |
| Other bank balances                                                                           | 8.61                               | 8.27                               |
|                                                                                               | <u>12.27</u>                       | <u>9.67</u>                        |
| * Having maturity after 12 months from the reporting date and earmarked for specific purposes |                                    |                                    |
| <b>17. Inventories</b>                                                                        |                                    |                                    |
| (At cost or net realisable value whichever is lower, unless otherwise stated)                 |                                    |                                    |
| Raw materials                                                                                 | 3.86                               | 5.76                               |
| Stores, spares & packing materials                                                            | 62.24                              | 79.02                              |
| Finished goods                                                                                | 1,907.07                           | 2,410.48                           |
| By-products                                                                                   | 174.73                             | 96.50                              |
| Work-in-progress                                                                              | 31.39                              | 38.96                              |
| Stock in trade (₹ 49,674/- (P.Y. ₹ 49,674/-))                                                 | 0.00                               | 0.00                               |
| Material in transit (₹ 15,070/-)                                                              | 0.00                               | 42.78                              |
|                                                                                               | <u>2,179.29</u>                    | <u>2,673.50</u>                    |
| <b>18. Trade receivables</b>                                                                  |                                    |                                    |
| (Unsecured considered good unless otherwise stated)                                           |                                    |                                    |
| Outstanding for a period exceeding six months from due date                                   | 11.52                              | 34.48                              |
| Doubtful                                                                                      | 13.68                              | 10.00                              |
| Less: Provision for doubtful debts                                                            | (13.68)                            | (10.00)                            |
|                                                                                               | -                                  | -                                  |
| Others                                                                                        | 151.82                             | 181.19                             |
|                                                                                               | <u>163.34</u>                      | <u>215.67</u>                      |
| <b>19. Cash and bank balances</b>                                                             |                                    |                                    |
| Cash and cash equivalents                                                                     |                                    |                                    |
| Cash on hand                                                                                  | 0.72                               | 0.88                               |
| Cheques, draft on hand                                                                        | 11.48                              | 34.18                              |
| Balance with banks                                                                            |                                    |                                    |
| Current account                                                                               | 49.01                              | 55.75                              |
| Fixed deposits (Maturity of less than 3 months)                                               | -                                  | 38.50                              |
|                                                                                               | <u>61.21</u>                       | <u>129.31</u>                      |
| Other bank balances                                                                           |                                    |                                    |
| Balance with banks (unpaid dividend)                                                          | 0.68                               | 0.77                               |
| Fixed deposits *                                                                              | 27.47                              | 1.70                               |
|                                                                                               | <u>28.15</u>                       | <u>2.47</u>                        |
|                                                                                               | <u>89.36</u>                       | <u>131.78</u>                      |
| * Includes ₹ 27.40 crore (P.Y. ₹ 1.70 crore) earmarked for specific purposes.                 |                                    |                                    |

|                                                                                                                  | As at<br>March 31, 2015<br>₹ Crore | As at<br>March 31, 2014<br>₹ Crore |
|------------------------------------------------------------------------------------------------------------------|------------------------------------|------------------------------------|
| <b>20. Short-term loans and advances</b>                                                                         |                                    |                                    |
| (Unsecured considered good, unless otherwise stated)                                                             |                                    |                                    |
| Loans & advances to related parties (refer note 34)                                                              | -                                  | 4.86                               |
| Loans & advances to others                                                                                       | 805.20                             | 819.14                             |
| Doubtful                                                                                                         | 2.29                               | 2.29                               |
| Less: Provision for doubtful loans & advances                                                                    | <u>(2.29)</u>                      | <u>(2.29)</u>                      |
|                                                                                                                  | -                                  | -                                  |
| MAT credit entitlement                                                                                           | 79.44                              | 79.60                              |
| Balances with excise department                                                                                  | 41.26                              | 69.77                              |
| Other advances*                                                                                                  | 81.13                              | 98.32                              |
|                                                                                                                  | <u>1,007.03</u>                    | <u>1,071.69</u>                    |
| * Includes advances given to suppliers, vendors and employees and other advances recoverable in cash or in kind. |                                    |                                    |
| <b>21. Other current assets</b>                                                                                  |                                    |                                    |
| (Unsecured considered good)                                                                                      |                                    |                                    |
| Claim / refund recoverable in cash or in kind or for value to be received                                        | 633.05                             | 518.34                             |
| Duty drawback receivable                                                                                         | 0.06                               | 2.81                               |
| Interest accrued                                                                                                 | 1.81                               | 1.03                               |
|                                                                                                                  | <u>634.92</u>                      | <u>522.18</u>                      |



|                                                                          | Year ended<br>March 31, 2015<br>₹ Crore | 18 months ended<br>March 31, 2014<br>₹ Crore |
|--------------------------------------------------------------------------|-----------------------------------------|----------------------------------------------|
| <b>22. Revenue from operations</b>                                       |                                         |                                              |
| Sale of products/services                                                | 4,617.02                                | 6,828.08                                     |
| Other operating revenues                                                 | 80.95                                   | 31.28                                        |
|                                                                          | <u>4,697.97</u>                         | <u>6,859.36</u>                              |
| Less: Excise duty                                                        | 162.62                                  | 214.00                                       |
|                                                                          | <u>4,535.35</u>                         | <u>6,645.36</u>                              |
| <b>22.1 Particulars of sale of products/services</b>                     |                                         |                                              |
| Sugar                                                                    | 3,728.71                                | 5,173.52                                     |
| Alcohol                                                                  | 435.21                                  | 793.46                                       |
| Power                                                                    | 154.76                                  | 311.72                                       |
| By-products                                                              | 73.78                                   | 113.10                                       |
| Others                                                                   | -                                       | 40.31                                        |
| Traded goods                                                             | 213.47                                  | 381.53                                       |
| Aircraft services                                                        | 11.09                                   | 14.44                                        |
|                                                                          | <u>4,617.02</u>                         | <u>6,828.08</u>                              |
| <b>22.2 Particulars of other operating revenues</b>                      |                                         |                                              |
| Duty drawback and other export incentives                                | 2.13                                    | 14.64                                        |
| Sale of export licenses                                                  | 0.99                                    | -                                            |
| Sale of scrap                                                            | 3.28                                    | 6.87                                         |
| Others                                                                   | 74.55                                   | 9.77                                         |
|                                                                          | <u>80.95</u>                            | <u>31.28</u>                                 |
| <b>23. Other income</b>                                                  |                                         |                                              |
| Dividend on long-term investment (Nil, P.Y. ₹ 2/-)                       | -                                       | 0.00                                         |
| Profit on sale of non-current investment                                 | 25.20                                   | -                                            |
| Other non-operating income                                               | 13.50                                   | 23.60                                        |
|                                                                          | <u>38.70</u>                            | <u>23.60</u>                                 |
| <b>24. Purchases and materials consumed</b>                              |                                         |                                              |
| Opening stock                                                            | 5.76                                    | 12.46                                        |
| Purchases                                                                | 3,490.57                                | 7,444.63                                     |
|                                                                          | <u>3,496.33</u>                         | <u>7,457.09</u>                              |
| Less: Closing stock                                                      | 3.86                                    | 5.76                                         |
| Cost of raw material consumed                                            | 3,492.47                                | 7,451.33                                     |
| Purchase / cost of traded goods sold                                     | 212.07                                  | 364.00                                       |
|                                                                          | <u>3,704.54</u>                         | <u>7,815.33</u>                              |
| <b>25. Changes in inventories of finished goods and work-in-progress</b> |                                         |                                              |
| Opening stock                                                            |                                         |                                              |
| Finished goods                                                           | 2,410.48                                | 426.68                                       |
| By-products                                                              | 96.50                                   | 37.51                                        |
| Work-in-progress                                                         | 38.96                                   | 5.87                                         |
|                                                                          | <u>2,545.94</u>                         | <u>470.06</u>                                |
| Less: Closing stock                                                      |                                         |                                              |
| Finished goods                                                           | 1,907.07                                | 2,410.48                                     |
| By-products                                                              | 174.73                                  | 96.50                                        |
| Work-in-progress                                                         | 31.39                                   | 38.96                                        |
|                                                                          | <u>2,113.19</u>                         | <u>2,545.94</u>                              |
|                                                                          | <u>432.75</u>                           | <u>(2,075.88)</u>                            |

|  | Year ended<br>March 31, 2015<br>₹ Crore | 18 months ended<br>March 31, 2014<br>₹ Crore |
|--|-----------------------------------------|----------------------------------------------|
|--|-----------------------------------------|----------------------------------------------|

**26. Employee benefits expense**

|                                            |               |               |
|--------------------------------------------|---------------|---------------|
| Salaries & wages                           | 178.28        | 288.75        |
| Contributions to provident and other funds | 13.46         | 26.92         |
| Employee's welfare expenses                | 1.60          | 2.61          |
| Employee compensation expenses (ESOP cost) | (13.54)       | (1.76)        |
|                                            | <u>179.80</u> | <u>316.52</u> |

26.1 Liability for employee benefits has been determined by an actuary, appointed for the purpose, in conformity with the principles set out in the Accounting Standard - 15 (Revised) the details of which are as here under:

**a. Funded scheme - gratuity**

|                                                                               |              |              |
|-------------------------------------------------------------------------------|--------------|--------------|
| <b>Liability to be recognised in balance sheet</b>                            |              |              |
| Present value of funded obligations                                           | 32.38        | 31.87        |
| Fair value of plan assets                                                     | (13.05)      | (12.87)      |
| Net liability/(asset)                                                         | <u>19.33</u> | <u>19.00</u> |
| <b>Change in plan assets (reconciliation of opening and closing balances)</b> |              |              |
| Fair value of plan assets at the beginning                                    | 12.87        | 14.93        |
| Expected return on plan assets                                                | 1.16         | 1.88         |
| Actuarial gain/(losses)                                                       | (0.02)       | (0.04)       |
| Contributions                                                                 | 1.26         | 0.44         |
| Benefits paid                                                                 | (2.22)       | (4.34)       |
| Fair value of plan assets at the end                                          | <u>13.05</u> | <u>12.87</u> |
| <b>Change in obligation (reconciliation of opening and closing balances)</b>  |              |              |
| Obligation at the beginning                                                   | 31.87        | 27.01        |
| Current service cost                                                          | 2.79         | 4.05         |
| Interest cost                                                                 | 2.89         | 3.97         |
| Actuarial losses/(gain)                                                       | (2.95)       | 1.18         |
| Benefits paid                                                                 | (2.22)       | (4.34)       |
| Closing obligation                                                            | <u>32.38</u> | <u>31.87</u> |
| <b>Expenditure to be recognised during the year</b>                           |              |              |
| Current service cost                                                          | 2.79         | 4.05         |
| Interest cost                                                                 | 2.89         | 3.97         |
| Expected return on plan assets                                                | (1.16)       | (1.88)       |
| Net actuarial losses/(gain) recognised during the year                        | (2.93)       | 1.22         |
| Total expenses recognised in the statement of profit and loss                 | <u>1.59</u>  | <u>7.36</u>  |
| <b>Assumptions</b>                                                            |              |              |
| Discount rate (per annum)                                                     | 8.00%        | 8.25%        |
| Expected rate of return on assets (per annum)                                 | 9.00%        | 9.00%        |
| Salary escalation rate (per annum)                                            | 5.00%        | 5.00%        |

**b. Unfunded scheme - earned leaves**

|                                                         |       |       |
|---------------------------------------------------------|-------|-------|
| Present value of unfunded obligations                   | 16.12 | 15.68 |
| Expenses recognised in the statement of profit and loss | 3.32  | 10.82 |
| Discount rate (per annum)                               | 8.00% | 8.25% |
| Salary escalation rate (per annum)                      | 5.00% | 5.00% |

|  | Year ended<br>March 31, 2015<br>₹ Crore | 18 months ended<br>March 31, 2014<br>₹ Crore |
|--|-----------------------------------------|----------------------------------------------|
|--|-----------------------------------------|----------------------------------------------|

### c. Provident Fund

The Company has an obligation to fund any shortfall on the yield of the trust's investments over the administered interest rates on an annual basis. These administered rates are notified by the Government annually. The actuary has provided a valuation based on the below provided assumptions and there is no shortfall as at March 31, 2015.

|                                                              |       |       |
|--------------------------------------------------------------|-------|-------|
| 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                                                | 7.77% | 9.15% |
| Average remaining tenure of the investment portfolio (years) | 8.10  | 8.51  |
| Expected guaranteed interest rate                            | 8.75% | 8.75% |

During the year ended March 31, 2015, amount recognised in statement of profit and loss for employees provident fund is ₹ 5.77 crore (P.Y. ₹ 11.97 crore).

### 27. Finance costs (net)

|                       |               |                 |
|-----------------------|---------------|-----------------|
| Interest expense on:  |               |                 |
| Borrowings            | 824.46        | 1,046.40        |
| Others                | 37.67         | 41.49           |
| Other borrowing costs | 26.88         | 40.69           |
|                       | <u>889.01</u> | <u>1,128.58</u> |
| Less:                 |               |                 |
| Interest income       | 81.37         | 79.46           |
|                       | <u>807.64</u> | <u>1,049.12</u> |

### 28. Depreciation and amortisation expense

|                                   |               |               |
|-----------------------------------|---------------|---------------|
| Depreciation on tangible assets   | 257.61        | 555.52        |
| Amortisation on intangible assets | 0.06          | 0.22          |
|                                   | <u>257.67</u> | <u>555.74</u> |

### 29. Other expenses

|                                                   |               |               |
|---------------------------------------------------|---------------|---------------|
| Stores, spares and packing materials consumed     | 110.68        | 215.44        |
| Increase/(decrease) of excise duty on inventories | (7.87)        | 77.07         |
| Power and fuel                                    | 12.28         | 28.77         |
| Rent                                              | 6.18          | 4.21          |
| Rates and taxes                                   | 0.48          | 0.89          |
| Repairs :                                         |               |               |
| Building                                          | 13.39         | 4.49          |
| Machinery                                         | 93.86         | 95.74         |
| Others                                            | 10.42         | 9.16          |
|                                                   | <u>117.67</u> | <u>109.39</u> |
| Payment to auditors (refer note 29.1)             | 0.53          | 0.76          |
| Insurance                                         | 4.91          | 9.78          |
| Selling commission                                | 9.31          | 14.10         |
| Selling & distribution                            | 33.74         | 68.84         |
| Director fees                                     | 0.11          | 0.21          |
| Donations                                         | -             | 0.52          |
| Loss due to foreign currency fluctuation (net)    | 5.47          | 32.40         |
| Provision for doubtful debts                      | 3.68          | 9.44          |
| Loss on sale of non-current investment            | -             | 0.01          |
| Loss on assets sold / scrapped / written off      | 0.34          | 3.04          |
| Miscellaneous expenses                            | 89.29         | 114.59        |
|                                                   | <u>386.80</u> | <u>689.46</u> |

|  | Year ended<br>March 31, 2015<br>₹ Crore | 18 months ended<br>March 31, 2014<br>₹ Crore |
|--|-----------------------------------------|----------------------------------------------|
|--|-----------------------------------------|----------------------------------------------|

**29.1 Payment to auditors**

|                                                      |             |             |
|------------------------------------------------------|-------------|-------------|
| As auditors - statutory audit                        | 0.36        | 0.40        |
| For taxation matters                                 | 0.05        | 0.10        |
| For certification work                               | 0.12        | 0.26        |
| Reimbursement of expenses (₹ 1,914/-, P.Y. ₹ 32,253) | 0.00        | 0.00        |
|                                                      | <u>0.53</u> | <u>0.76</u> |

|  | As at<br>March 31, 2015<br>₹ Crore | As at<br>March 31, 2014<br>₹ Crore |
|--|------------------------------------|------------------------------------|
|--|------------------------------------|------------------------------------|

**30. 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                 | 36.45         | 42.60         |
| (ii) Trade tax matters                     | 73.03         | 69.73         |
| (iii) Income tax matters                   | 18.49         | -             |
| (iv) Recompense payable (refer Note 36(b)) | 17.98         | -             |
| (v) Other claims                           | 24.94         | 25.02         |
|                                            | <u>170.89</u> | <u>137.35</u> |

(b) Guarantees 759.99 909.33

(c) Erstwhile Bajaj Eco-Tec Products Limited (merged with the Company) has procured imported as well as indigenous capital goods under Export Promotion and Capital Goods Scheme (EPCG). The export obligation pending against such EPCG.

4.29 4.50

(d) Interest payable on promoters contribution (refer note 36(c)) is not determinable

**(II) Commitments**

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)

7.13 9.56

**31. Earnings per share**

|                                                                                                          |            |            |
|----------------------------------------------------------------------------------------------------------|------------|------------|
| (i) Net profit/ (loss) after tax as per statement of profit and loss attributable to equity shareholders | (1,192.45) | (1,624.68) |
| (ii) Weighted average number of equity shares used as denominator for calculating basic EPS (crore)      | 64.03      | 63.94      |
| (iii) Add: Equity shares to be issued on conversion of funded interest term loan (FITL) (crore)          | 6.72       | -          |
| (iv) Weighted average number of equity shares used as denominator for calculating diluted EPS (crore)    | 70.75      | -          |
| (v) Basic earning per share                                                                              | (18.62)    | (25.41)    |
| (vi) Diluted earnings per share (since anti-dilutive, same as basic EPS)                                 | (18.62)    | (25.41)    |
| (vii) Face value per equity share                                                                        | ₹ 1/-      | ₹ 1/-      |

|  | As at<br>March 31, 2015<br>₹ Crore | As at<br>March 31, 2014<br>₹ Crore |
|--|------------------------------------|------------------------------------|
|--|------------------------------------|------------------------------------|

### 32. Derivative Instruments

|                                                  | Forward Contract<br>USD crore           | Forward Contract<br>USD crore                |
|--------------------------------------------------|-----------------------------------------|----------------------------------------------|
| Derivative instruments outstanding are as under: |                                         |                                              |
| <b>Hedged</b>                                    |                                         |                                              |
| Creditors (USD)                                  | -                                       | 3.84                                         |
| FCCBs (USD)                                      | -                                       | 1.50                                         |
| Premium on redemption of FCCBs (USD)             | -                                       | 0.10                                         |
| <b>Unhedged</b>                                  |                                         |                                              |
| Creditors (USD)                                  | -                                       | 0.68                                         |
| Premium on redemption of FCCBs (USD)             | -                                       | 0.17                                         |
| ECB (USD)                                        | -                                       | 3.09                                         |
|                                                  | Year ended<br>March 31, 2015<br>₹ Crore | 18 months ended<br>March 31, 2014<br>₹ Crore |

### 33. Segment Information

The Company has identified its Business Segments as its Primary Reportable Segments comprising of Sugar, Distillery and Power Primary Segment Information:

#### 1. Segment revenue

|                                    |          |          |
|------------------------------------|----------|----------|
| a. Sugar                           | 3,955.27 | 5,566.60 |
| b. Distillery                      | 405.78   | 764.76   |
| c. Power                           | 338.41   | 675.78   |
| d. Others                          | 225.29   | 428.67   |
| Total                              | 4,924.75 | 7,435.81 |
| Less: Inter- segment revenue       | 470.35   | 821.73   |
| Net Sales / Income from operations | 4,454.40 | 6,614.08 |

#### 2. Segment results

|                                             |            |            |
|---------------------------------------------|------------|------------|
| (Profit/ (Loss) before tax and interest)    |            |            |
| a. Sugar                                    | (733.48)   | (1,213.19) |
| b. Distillery                               | 151.04     | 225.14     |
| c. Power                                    | 261.13     | 508.32     |
| d. Others                                   | (21.59)    | (31.32)    |
| Total                                       | (342.90)   | (511.05)   |
| Less: (i) Interest (net)                    | 807.64     | 1,049.12   |
| (ii) Other un-allocable expenditure net off |            |            |
| un-allocable income                         | 40.77      | 125.60     |
| Total Profit/ (Loss) before tax             | (1,191.31) | (1,685.77) |

#### 3. Segment assets

|                                   |           |           |
|-----------------------------------|-----------|-----------|
| a. Sugar                          | 6,925.53  | 7,049.07  |
| b. Distillery                     | 590.68    | 548.71    |
| c. Power                          | 846.91    | 783.55    |
| d. Others                         | 135.11    | 272.74    |
| Total                             | 8,498.23  | 8,654.07  |
| Add: Unallocated corporate assets | 3,304.21  | 3,691.47  |
| Total assets                      | 11,802.44 | 12,345.54 |

|                                                        | Year ended<br>March 31, 2015<br>₹ Crore | 18 months ended<br>March 31, 2014<br>₹ Crore |
|--------------------------------------------------------|-----------------------------------------|----------------------------------------------|
| <b>4. Segment liabilities</b>                          |                                         |                                              |
| a. Sugar                                               | 2,892.39                                | 2,629.20                                     |
| b. Distillery                                          | 26.32                                   | 27.15                                        |
| c. Power                                               | 1.73                                    | 0.95                                         |
| d. Others                                              | 16.54                                   | 14.77                                        |
| Total                                                  | 2,936.98                                | 2,672.07                                     |
| Add: Unallocated corporate liabilities                 | 64.24                                   | 1,035.05                                     |
| Total liabilities                                      | 3,001.22                                | 3,707.12                                     |
| <b>5. Capital expenditure</b>                          |                                         |                                              |
| a. Sugar                                               | 10.07                                   | 65.44                                        |
| b. Distillery                                          | 3.57                                    | 12.71                                        |
| c. Power                                               | 1.86                                    | 4,149.06                                     |
| d. Others                                              | (0.33)                                  | 4.12                                         |
| e. Unallocated                                         | 0.36                                    | 3.12                                         |
| Total                                                  | 15.53                                   | 4,234.45                                     |
| <b>6. Depreciation and amortisation</b>                |                                         |                                              |
| a. Sugar                                               | 179.83                                  | 395.28                                       |
| b. Distillery                                          | 19.13                                   | 40.14                                        |
| c. Power                                               | 24.06                                   | 52.63                                        |
| d. Others                                              | 8.37                                    | 31.03                                        |
| e. Unallocated                                         | 26.28                                   | 36.66                                        |
| Total                                                  | 257.67                                  | 555.74                                       |
| <b>7. Non cash expenditure other than depreciation</b> |                                         |                                              |
| 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 and as such there are no reportable geographical segments.
2. Segments have been identified in line with the Accounting Standard-17 "Segment Reporting" taking into account the organisation structure as well as differing risks and returns.
3. The segment revenue, results, assets and liabilities include respective amounts identifiable to each of the segment and amounts allocated on reasonable basis.
4. The segment performance has been worked out after attributing the realisable value of inter segment transfer of material.
5. Segment assets and liabilities represents assets and liabilities in respective segment. Tax related assets & other assets and liabilities that cannot be allocated to segment on reasonable basis have been disclosed as unallocable.

**34.** The disclosures in respect of Related Parties as required under Accounting Standard 18 (AS-18) 'Related Party Disclosures' is stated herein below:

**a) Name of related parties**

- A. Associates and Joint Ventures  
 Lalitpur Power Generation Company Ltd. (w.e.f. January 29, 2014)  
 Bajaj Energy Private Ltd. (up to March 26, 2014)
- B. Directors and their relatives  
 1. Mr. Shishir Bajaj, Chairman & Managing Director (Also key management personnel) up to October 16, 2014.  
 2. Mrs. Minakshi Bajaj, wife of Mr. Shishir Bajaj  
 3. Mr. Kushagra Bajaj,  
     a) Vice Chairman and Joint Managing Director (Also key management personnel and also son of Mr. Shishir Bajaj) up to October 17, 2014.  
     b) Chairman and Managing Director (Also key management personnel) from October 18, 2014.  
 4. Mr. Apoorva Bajaj, Son of Mr. Shishir Bajaj  
 5. Dr. Sanjeev Kumar, Executive Director (Also key management personnel) up to March 29, 2015.  
 6. Mr. Manoj Maheshwari, Director and Group CFO (Also key management personnel) up to March 29, 2015.  
 7. Mr. Ashok Kumar Gupta, Director (Group Operations) (Also key management personnel)
- C. Enterprises over which any person described in (B) above is able to exercise significant influence  
 1. Bajaj Capital Ventures Private Ltd.  
 2. Shishir Bajaj Family Trust  
 3. Kushagra Trust No. 2  
 4. Shishir Bajaj, HUF  
 5. Bajaj Power Ventures Private Ltd.  
 6. Bajaj Infrastructure Development Company Ltd.  
 7. SKB Roop Commercial LLP  
 8. Bajaj Energy Private Ltd.  
 9. Bajaj Resources Ltd.  
 10. A.N. Bajaj Enterprises Private Ltd.  
 11. KNB Enterprises, LLP  
 12. Global World Power Projects Private Ltd.  
 13. Bajaj International Realty Private Ltd.

**b) Details of related party transactions:**

₹ Crore

|                                                 | Directors/Key Management Personnel | Associate          | Enterprises described in (C) above | Total                   |
|-------------------------------------------------|------------------------------------|--------------------|------------------------------------|-------------------------|
| <b>I. Transactions during the year</b>          |                                    |                    |                                    |                         |
| Purchase of capital goods                       | -<br>(-)                           | -<br>(-)           | -<br>(418.02)                      | -<br>(418.02)           |
| Purchase of stores                              | -<br>(-)                           | -<br>(-)           | <b>0.10</b><br>(-)                 | <b>0.10</b><br>(-)      |
| Sale of capital goods                           | -<br>(-)                           | <b>0.01</b><br>(-) | -<br>(17.00)                       | <b>0.01</b><br>(17.00)  |
| Receiving of services (capital goods)           | -<br>(-)                           | -<br>(-)           | -<br>(67.99)                       | -<br>(67.99)            |
| Rent received                                   | -<br>(-)                           | -<br>(4.67)        | <b>2.78</b><br>(-)                 | <b>2.78</b><br>(4.67)   |
| Remuneration                                    | <b>10.77</b><br>(13.03)            | -<br>(-)           | -<br>(-)                           | <b>10.77</b><br>(13.03) |
| Rent paid                                       | -<br>(-)                           | -<br>(-)           | <b>2.87</b><br>(1.30)              | <b>2.87</b><br>(1.30)   |
| Equity share capital issued (including premium) | -<br>(-)                           | -<br>(-)           | -<br>(430.15)                      | -<br>(430.15)           |



|                                                                                       | Directors/ Key Management Personnel | Associate     | Enterprises described in (C) above | Total         |
|---------------------------------------------------------------------------------------|-------------------------------------|---------------|------------------------------------|---------------|
| Investment made                                                                       | -                                   | <b>4.86</b>   | -                                  | <b>4.86</b>   |
|                                                                                       | (-)                                 | (64.30)       | (-)                                | (64.30)       |
| Loan taken                                                                            | <b>110.50</b>                       | -             | <b>64.50</b>                       | <b>175.00</b> |
|                                                                                       | (-)                                 | (-)           | (-)                                | (-)           |
| Investment sold                                                                       | -                                   | -             | <b>179.40</b>                      | <b>179.40</b> |
|                                                                                       | (-)                                 | (-)           | (75.90)                            | (75.90)       |
| Deposits given                                                                        | -                                   | -             | -                                  | -             |
|                                                                                       | (-)                                 | (-)           | (0.90)                             | (0.90)        |
| Share application money given                                                         | -                                   | -             | -                                  | -             |
|                                                                                       | (-)                                 | (4.86)        | (-)                                | (4.86)        |
| Share application money / advance against share application money (received/refunded) | -                                   | -             | -                                  | -             |
|                                                                                       | (-)                                 | (172.00)      | (515.00)                           | (687.00)      |
| Advance given (Project)                                                               | -                                   | -             | -                                  | -             |
|                                                                                       | (-)                                 | (-)           | (250.00)                           | (250.00)      |
| Advance for capital expenditure                                                       | -                                   | -             | -                                  | -             |
|                                                                                       | (-)                                 | (-)           | (0.70)                             | (0.70)        |
| Refund of advance for capital expenditure                                             | -                                   | -             | -                                  | -             |
|                                                                                       | (-)                                 | (-)           | (0.70)                             | (0.70)        |
| Guarantee/securities given                                                            | -                                   | <b>4.86</b>   | -                                  | <b>4.86</b>   |
|                                                                                       | (-)                                 | (-)           | (-)                                | (-)           |
| <b>II. Amounts outstanding at the Balance Sheet date</b>                              |                                     |               |                                    |               |
| Deposits given                                                                        | -                                   | -             | <b>1.26</b>                        | <b>1.26</b>   |
|                                                                                       | (-)                                 | (-)           | (1.26)                             | (1.26)        |
| Share application money                                                               | -                                   | -             | -                                  | -             |
|                                                                                       | (-)                                 | (4.86)        | (-)                                | (4.86)        |
| Guarantee / securities given                                                          | -                                   | <b>759.99</b> | -                                  | <b>759.99</b> |
|                                                                                       | (-)                                 | (755.13)      | (-)                                | (755.13)      |
| Investments                                                                           | -                                   | <b>770.13</b> | -                                  | <b>770.13</b> |
|                                                                                       | (-)                                 | (765.27)      | (-)                                | (765.27)      |
| Debtors (Services)                                                                    | -                                   | -             | -                                  | -             |
|                                                                                       | (-)                                 | (0.41)        | (-)                                | (0.41)        |
| Security Deposits (Debtors)                                                           | -                                   | <b>0.75</b>   | -                                  | <b>0.75</b>   |
|                                                                                       | (-)                                 | (0.75)        | (-)                                | (0.75)        |
| Loan taken                                                                            | <b>110.50</b>                       | -             | <b>64.50</b>                       | <b>175.00</b> |
|                                                                                       | (-)                                 | (-)           | (-)                                | (-)           |

**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. Purchase of stores of ₹ 0.10 crore (P.Y. Nil) from Bajaj Energy Private Ltd.
4. Sale of capital goods includes ₹ 0.01 crore (P.Y. Nil) to Lalitpur Power Generation Company Limited.
5. Rent paid includes ₹ 0.85 crore (P.Y. ₹ 1.08 crore) to Bajaj Capital Ventures Pvt. Ltd and ₹ 2.02 crore (P.Y. ₹ 0.22 crore) to Shishir Bajaj Family Trust.
6. Rent received of ₹ 2.78 crore (P.Y. ₹ 4.67 crore) from Bajaj Energy Private Ltd.
7. Remuneration includes ₹ 4.91 crore (P.Y. ₹ 2.43 crore) to Mr. Shishir Bajaj, ₹ 1.32 crore (P.Y. ₹ 1.96 crore) to Mr. Kushagra Bajaj, ₹ 1.87 crore (P.Y. ₹ 3.15 crore) to Dr. Sanjeev Kumar, ₹ 1.83 crore (P.Y. ₹ 3.58 crore) to Mr. Manoj Maheshwari and ₹ 0.84 crore (P.Y. ₹ 1.29 crore) to Mr. Ashok Kumar Gupta.
8. Investment made of ₹ 4.86 crore (P.Y. ₹ 64.30 crore) in Lalitpur Power Generation Company Ltd.
9. Loan taken of ₹ 110.50 crore from Mr. Kushagra Bajaj and ₹ 64.50 crore from M/s SKB Roop Commercial LLP, a promoter group company.
10. Investments sold of ₹ 179.40 crore (P.Y. ₹ 75.90 crore) to Bajaj Power Ventures Private Ltd.
11. Guarantee / securities given of ₹ 4.86 crore for Lalitpur Power Generation Company Ltd.
12. Restructured term loan from banks aggregating to ₹ 7,022.30 crore are secured by personal guarantee of Mr. Kushagra Bajaj (Managing Director) and corporate guarantee by M/s. Bajaj International Realty Private Ltd. (a promoter group company) and pledge of entire shares held by the promoters of the Company.

35. As required by paragraph 46 inserted vide notification dated March 31, 2009 to the Accounting Standard AS-11 "The Effect of Changes in Foreign Exchange Rates", the Company had already opted to adjust the exchange fluctuations on long-term monetary items to the carrying cost of fixed assets. Further as per paragraph 46A, inserted vide notification dated December 29, 2011 to AS-11, the Company has adjusted ₹ 8.08 crore being the loss on exchange fluctuation on long-term monetary items for the year ended March 31, 2015 to carrying cost of fixed assets. The unamortised foreign exchange fluctuation capitalised to fixed assets, amounts to ₹ 355.34 crore as at March 31, 2015.
36. 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 existing 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 MRA. The cut-off date for restructuring under JLF route is July 31, 2014.
- b) The Company and JLF lenders have executed the MRA during the year. 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, 2015 payable to the JLF lenders as per MRA is approximately ₹ 17.98 crore for the Company.
- c) 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 ₹ 175 crore has been brought by promoters as unsecured loan till March 31, 2015. Interest on the unsecured loan of promoters, if any, payable shall be determined after the restructuring period is completed.
- d) As per the terms of MRA, interest payable on the term loan for the period from August 01, 2014 to July 31, 2016 would be converted into Funded Interest Term Loan (FITL). 70% of FITL shall be converted into equity. The shareholders approved the preferential issue of shares to lenders through postal ballot. Part of the FITL, has been converted into equity by allotment of 17,08,41,266 equity shares to lenders on March 30, 2015 at the premium of ₹ 20.77 per share. The Company would issue further equity for conversion of balance FITL as and when demanded by the lenders. Since there is uncertainty on the number of shares which shall be issued pursuant to such conversion, the computation of which is dependent on the provisions of applicable guidelines of SEBI, the possible impact of the same on the diluted Earnings per share of the Company has not been given.
37. The Company holds entire beneficial interest in BHL Securities Trust ("the Trust") that holds equity shares of the Company carried at ₹ 693.72 crore as at March 31, 2015, which were allotted to the Trust pursuant to the Scheme of Amalgamation of its erstwhile subsidiary Bajaj Hindusthan Sugar and Industries Ltd. with the Company as approved by the Hon'ble Bombay High Court. The market value of these shares as at March 31, 2015 is ₹ 44.78 crore, resulting into substantial diminution in its value. The Company also holds unquoted non-convertible Preference Shares at ₹ 350.04 crore and unquoted optionally convertible debentures at ₹ 370.48 crore as at March 31, 2015 in Phenil Sugars Ltd. whose net worth has been substantially eroded. However, based on the likely policy measures for the sugar industry by Central and State Governments, approval of debt restructuring schemes for the company as well as Phenil Sugars Ltd. and their resultant business outlook, the management is of the opinion that these diminution in value of investments are temporary in nature and will be recovered in the next few years with improved performance and therefore no provision for the same is made during the year.
38. From April 01, 2014, as per the new Companies Act, 2013, the Company has changed its method of providing depreciation with retrospective effect on tangible fixed assets other than Plant and Machinery and Aircraft, from the "Written Down Value" method to 'Straight Line' method. Management believes that this change will result in more appropriate presentation and will give a systematic basis of depreciation charge, representative of the time pattern in which the economic benefits will be derived from the use of these assets and will be uniform with the method of depreciation provided for other assets. Accordingly, surplus arising from retrospective computation aggregating to ₹ 294.77 crore for the period up to March 31, 2014 has been accounted as per Accounting Standard (AS-6) and disclosed under exceptional item. Had the Company continued to use the earlier method of depreciation, the depreciation charge for the year would be higher by ₹ 108.38 crore.
39. For the sugar season 2014-15, the cane liability has been provided @ ₹ 280 per quintal (SAP declared by Government of Uttar Pradesh). The "financial assistance" on cane purchased receivable (subject to certain conditions) from the Government of Uttar Pradesh, pursuant to its letter No.2970 CD/46-3-14-3(48)/98-99 dated December 24, 2014, will be recognised by the Company as and when the Company becomes eligible.
40. Exceptional items includes ₹ 294.77 crore written back of depreciation due to change of method, ₹ 148.02 crore impairment of fixed assets of board division and ₹ 142.91 crore written off of current assets.

**41.** 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             |                  |
|-----------------------------------------------|--------------------------------------------------------|------------------|-------------------------------------|------------------|
|                                               | As % of consolidated net assets                        | Amount (₹ Crore) | As % of consolidated profit or loss | Amount (₹ Crore) |
| <b>Parent</b>                                 | 33%                                                    | 495.33           | 97%                                 | (1,153.71)       |
| <b>Subsidiaries</b>                           |                                                        |                  |                                     |                  |
| <b>Indian</b>                                 |                                                        |                  |                                     |                  |
| 1. Bajaj Aviation Private Ltd.                | 1%                                                     | 18.09            | 2%                                  | (19.79)          |
| 2. Bajaj Power Generation Private Ltd.        | 63%                                                    | 956.26           | -                                   | -                |
| <b>Foreign</b>                                |                                                        |                  |                                     |                  |
| 1. Bajaj Hindusthan (Singapore) Private Ltd.  | 3%                                                     | 48.15            | 1%                                  | (17.13)          |
| 2. PT. Batu Bumi Persada, Indonesia           | 0%                                                     | 2.97             | 0%                                  | (0.35)           |
| 3. PT. Jangkar Prima, Indonesia               | 0%                                                     | (0.12)           | 0%                                  | (1.31)           |
| <b>Minority Interests in all subsidiaries</b> |                                                        |                  |                                     |                  |
| <b>Foreign</b>                                |                                                        |                  |                                     |                  |
| 1. PT. Batu Bumi Persada, Indonesia           | 0%                                                     | 0.00             | 0%                                  | 0.00             |
| 2. PT. Jangkar Prima, Indonesia               | -                                                      | -                | 0%                                  | 0.00             |
| <b>Associates</b>                             |                                                        |                  |                                     |                  |
| (Investment as per the equity method)         |                                                        |                  |                                     |                  |
| <b>Indian</b>                                 |                                                        |                  |                                     |                  |
| Lalitpur Power Generation Company Ltd.        | 0%                                                     | (0.29)           | 0%                                  | (0.16)           |

- 42.** The Indian sugar industry has been adversely affected over past few years due to continuous operational losses incurred by the sugar mills. The wide gap between the high cost of sugarcane and low realisation from sugar particularly in the state of Uttar Pradesh have severely impacted the financial and economic condition of the sugar mills. The surplus production as compared to the domestic consumption year after year coupled with lower international prices has kept the domestic sugar prices subdued. These factors coupled with high interest burden significantly impacted the performance and cash flows of the Company and its subsidiaries.

The Company has incurred cash losses in the current year and also during the immediately preceding financial year. The accumulated losses have resulted into erosion of considerable net worth of the Company. However, with the approval of scheme for restructuring of existing credit facilities by the lender banks of the Company in accordance with RBI's "*Framework for Revitalising Distressed Assets in the Economy*", during the year and certain key policy decisions and reliefs for sugar mills being contemplated by the governments, the Management expects to improve operating cash flows through cost synergies, revenue management, improved realisations, etc. These measures are expected to result in sustainable cash flows and accordingly the Financial Statements continue to be presented on a going concern basis, which contemplates realisation of assets and settlement of liabilities in the normal course of business.

- 43.** 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".
- 44.** Figures for the current year are of 12 months from April 01, 2014 to March 31, 2015, whereas figures for the previous period are for 18 months for period from October 01, 2012 to March 31, 2014, hence such figures are not comparable. Previous period figures have been regrouped / reclassified wherever necessary to correspond with the current year classification / disclosures.

Signatures to notes "1" to "44"

As per our report of even date

**For Chaturvedi & Shah**  
Firm Registration No.: 101720W  
Chartered Accountants

For and on behalf of the Board

**Kushagra Bajaj**  
Chairman & Managing Director

**Amit Chaturvedi**  
Partner  
Membership No. 103141

**Ved Prakash Agrawal**  
Chief Financial Officer

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

**M. L. Apte**  
**R. V. Ruia**  
**D. K. Shukla**  
**A. K. Gupta**  
**Kiran Anuj**  
Directors

Mumbai, May 28, 2015

**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-April 2014 to 31-Mar-2015 | 01-April 2014 to 31-Mar-2015       | 01-April 2014 to 31-Mar-2015                        | 01-Jan-2014 to 31-Dec-2014            | 01-Jan-2014 to 31-Dec-2014        |
| 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                               | 124.55                                              | 2.39                                  | 2.39                              |
| 4.  | Reserves & surplus                                                                                                          | (27.37)                      | (0.00)                             | (29.54)                                             | (1.95)                                | (2.47)                            |
| 5.  | Total assets                                                                                                                | 22.22                        | 1,163.62                           | 116.20                                              | 2.97                                  | 1.22                              |
| 6.  | Total liabilities                                                                                                           | 22.22                        | 1,163.62                           | 116.20                                              | 2.97                                  | 1.22                              |
| 7.  | Investments @                                                                                                               | -                            | 266.85                             | -                                                   | -                                     | -                                 |
| 8.  | Turnover *                                                                                                                  | 11.78                        | 39.94                              | 0.99                                                | -                                     | -                                 |
| 9.  | Profit before taxation                                                                                                      | (12.41)                      | -                                  | 0.87                                                | (0.06)                                | (1.24)                            |
| 10. | Provision for taxation                                                                                                      | 0.18                         | -                                  | (0.80)                                              | -                                     | -                                 |
| 11. | Profit after taxation                                                                                                       | (12.59)                      | -                                  | 0.07                                                | (0.06)                                | (1.24)                            |
| 12. | Proposed dividend                                                                                                           | -                            | -                                  | -                                                   | -                                     | -                                 |
| 13. | % of shareholding                                                                                                           | 100%                         | 100%                               | 100%                                                | 99%                                   | 99.88%                            |

\* Turnover is net of excise duty and includes other income.

@ Investments excludes investment in subsidiaries.

# The financial statements are translated at the exchange rate as on 31.03.2015 i.e. 1 USD = INR 62.5908

\$ The financial statements are translated at the exchange rate as on 31.03.2015 i.e. (1 USD = IDR 13084) and (1 USD = INR 62.5908)

\*\* Subsidiaries which are yet to commence operations.

**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                                                                            | Lalitpur Power Generation Company Ltd.***                           | Bajaj Ebiz Private Ltd.                                             |
|-----------------------------------------------------------------------------------------------|---------------------------------------------------------------------|---------------------------------------------------------------------|
| <b>1. Latest audited Balance Sheet Date</b>                                                   | March 31, 2014                                                      | March 31, 2014                                                      |
| <b>2. Shares of Associate held by the Company on the year end</b>                             |                                                                     |                                                                     |
| Nos.                                                                                          | 1,54,39,900                                                         | 11,48,400                                                           |
| Amount of Investment in Associates (₹ crore)                                                  | 770.13                                                              | 1.15                                                                |
| Extent of holding %                                                                           | 20.97%                                                              | 49.50%                                                              |
| <b>3. Description of how there is significant influence</b>                                   | There is a significant influence due to percentage of share holding | There is a significant influence due to percentage of share holding |
| <b>4. Reason why the associate is not consolidated</b>                                        | *                                                                   | **                                                                  |
| <b>5. Networth attributable to Shareholding as per latest audited balance sheet (₹ crore)</b> | 767.77                                                              | -                                                                   |
| <b>6. Profit/(Loss) for the year (₹ crore)</b>                                                |                                                                     |                                                                     |
| i. Considered in consolidation (₹ crore)                                                      | (0.16)                                                              | -                                                                   |
| ii. Not considered in consolidation (₹ crore)                                                 | -                                                                   | -                                                                   |

\* Details and figures of column nos.2 to 6 are based on unaudited financial statements of associates as on March 31, 2015, considered for consolidation.

\*\*The Company has made provision for permanent diminution in the value of its entire investment in Bajaj Ebiz Private Ltd.

\*\*\* Lalitpur Power Generation Company Ltd. - Associate is yet to commence operations.

[illegible]

