bajaj hindusthan ltd.
www.bajajgroup.org

July 5, 2013

DCS - CRD **BSE Limited** **First Floor, New Trade Wing** **Rotunda Building, Phiroze Jeejeebhoy Towers** **Dalal Street, Fort** **Mumbai 400 023** **Fax No. 2272 3719/ 2037** **Stock Code: 500032**	**National Stock Exchange of India Ltd.** **Exchange Plaza, 5th Floor** **Plot No.C/1, 'G' Block** **Bandra- Kurla Complex** **Bandra East** **Mumbai 400 051** **Fax No. 2659 8237/ 8238** **Stock Code: BAJAJHIND**

Dear Sirs,

Kind Attention: Listing Department

Pursuant to Clause 31(c) of the Listing Agreement, we enclose herewith three copies of the Notice for passing of resolutions by postal ballot and postal ballot form, pursuant to Section 192A of the Companies Act, 1956, as is being sent to each household of shareholders of the Company.

Kindly take the same on record.

Thanking you,

Yours faithfully,
For Bajaj Hindusthan Limited

Kausik Adhikari
Deputy Company Secretary

Encl: As above

bajaj hindusthan ltd.

Registered Office: Bajaj Bhawan, 2nd Floor, Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai - 400 021

NOTICE FOR PASSING OF RESOLUTIONS BY POSTAL BALLOT

(Pursuant to Section 192A of the Companies Act, 1956)

NOTICE TO THE MEMBERS

Notice is hereby given pursuant to Section 192A(2) of the Companies Act, 1956, read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2011, that the Company is seeking the Shareholders' consent to pass the proposed Special Resolutions appended below by way of Postal Ballot. The Explanatory Statement pertaining to the said Resolutions setting out the material facts and the reasons thereof is annexed hereto along with a Postal Ballot Form and postage pre-paid envelope.

1. **Re-appointment of Mr. Shishir Bajaj as Managing Director for a period of 5 (five) years commencing with effect from July 1, 2013.**

   To consider and, if thought fit, to pass with or without modification, the following resolution as a Special Resolution:

   "RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309 and other applicable provisions, if any, of the Companies Act, 1956 and Schedule XIII thereto (including any statutory modification or re-enactment thereof, for the time being in force) and the Articles of Association of the Company and subject to the approval(s), permission(s) and/or sanction(s) as may be necessary, the consent and approval of the Company be and is hereby accorded to the re-appointment of Mr. Shishir Bajaj as Managing Director of the Company for a further period of 5 (five) years with effect from July 1, 2013 on the remuneration as set out below:-

   I. Remuneration:

   a) Salary: ₹ 14,00,000 p.m. in the scale of ₹ 12,50,000 - ₹ 25,00,000.

   b) Perquisites and Allowances:

   I. Housing:

   a) Residential accommodation OR House Rent Allowance at the rate of 50% of Salary.

   b) Expenses pertaining to gas, electricity, water and other utilities will be borne/reimbursed by the Company.

   c) The Company shall provide such furniture and furnishing as may be required by the Managing Director.

   II. Leave Travel Concession: Reimbursement of all the expenses (like travel fare, lodging, boarding, conveyance and other expenses) incurred for self and his family during leave travel periods, wherever undertaken, whether in India or abroad.

   III. Medical Reimbursement: Reimbursement of actual medical expenses incurred in India and/or abroad and including hospitalisation, nursing home and surgical charges for himself and his family. In case of any medical treatment abroad, the travelling, boarding and lodging expenses for patient and attendant are also payable.

   IV. Club Memberships: Subscription or reimbursement of membership fees for clubs in India and/or abroad, including admission and life membership fees.

   V. Entertainment Expenses: Reimbursement of entertainment expenses incurred in the course of business of the Company.

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

   VII. Other Perquisites: Subject to overall ceiling on remuneration mentioned herein below, the Managing Director may be given other allowances, benefits and perquisites as may be decided from time to time.

   Explanation:

   Perquisites shall be evaluated as per Income-tax Rules, 1962, wherever applicable and in absence of any such rule, perquisites shall be evaluated at actual cost.

   c) Commission: Commission at the rate of 1% (one per cent) of the net profits of the Company for each financial year, payable after adoption of the annual accounts for that financial year by shareholders.

   d) Others including Retirals:

   I. Contribution to Provident Fund: Company's contribution to Provident Fund to the extent the same is not taxable under the Income-tax Act, 1961.

II. Superannuation: Company's contribution to Superannuation Fund equal to 15% of salary or allowance in lieu thereof or up to such an amount permissible under the law and as may be decided by the Board of Directors from time to time.

III. Gratuity: Gratuity at the rate of one month's salary for each completed year of service.

IV. Leave: Leave with full pay or encashment thereof as per the Rules of the Company.

V. Conveyance: The Company shall provide suitable conveyance facilities as may be required by the Managing Director.

VI. Communication: The Company shall provide telephone, telefax and other communication facilities at the Managing Director's residence.

VII. Other Facilities: Reimbursement of books and periodicals expenses as per the rules of the Company.

II. Overall remuneration:

The aggregate of salary and perquisites in any corporate financial year shall not exceed the limits prescribed from time to time under Sections 198, 309 and other applicable provisions of the Companies Act, 1956 read with Schedule XIII to the said Act as may for the time being, be in force.

III. Minimum Remuneration

In event of loss or inadequacy of profits in any financial year during the period of three years with effect from July 1, 2013, the payment of remuneration to the Managing Director shall be governed by the limits prescribed under Section II of Part II of Schedule XIII of the Companies Act, 1956 as may for the time being, be in force.

"RESOLVED FURTHER THAT in case the Company has in any financial year no profits or if its profits are inadequate anytime during the period of three years from July 1, 2013, the Managing Director shall be paid the aforesaid remuneration as the minimum remuneration, with the liberty to the Board of Directors (which term shall be deemed to include the Remuneration & Compensation Committee) to revise, amend, alter and vary the terms and conditions relating to the remuneration payable to the Managing Director in such manner as may be permitted in accordance with the provisions of the Companies Act, 1956 and Schedule XIII or any modification thereto and as may be agreed by and between the Board and Mr. Shishir Bajaj."

2. Sale of Equity Shares held by the Company in Bajaj Energy Private Limited.

To consider and, if thought fit, to pass with or without modification, the following resolution as a Special Resolution:

"RESOLVED THAT subject to consent(s), approval(s) and/or permission(s) as may be necessary, the approval and consent of the Company be and is hereby accorded to the Board to disinvest the Company's entire holding in Bajaj Energy Private Limited, comprising of 1,11,00,000 Equity Shares of ₹ 10/- each, constituting 26.96 % of the paid up capital of Bajaj Energy Private Limited, at a price of ₹ 230/- per share at an aggregate amount of ₹ 255.30 crore."

"RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board of Directors of the Company be and is hereby authorised to take all such actions and to give all such directions as may be necessary or desirable and also to settle any question or difficulty that may arise in regard to the proposed disinvestment and further to do all such acts, deeds, matters and things and to execute all such deeds, documents and writings as may be necessary, desirable or expedient in connection therewith."

3. Sale of Ordinary Shares held by the Company in Bajaj Hindusthan (Singapore) Private Limited.

To consider and, if thought fit, to pass with or without modification, the following resolution as a Special Resolution:

"RESOLVED THAT in accordance with Reserve Bank of India (RBI) circular and Foreign Exchange Management Act and Regulations and subject to such consent(s), approval(s) and/or permission(s) as may be necessary, the approval and consent of the Company be and is hereby accorded to the Board to disinvest its entire holding in Bajaj Hindusthan (Singapore) Private Limited, a Wholly Owned Subsidiary (WOS) in Singapore comprising of 2,70,01,000 Ordinary Shares of Bajaj Hindusthan (Singapore) Private Limited, at an aggregate price of USD 16.35 million (₹ 95.56 crore approx.)."

"RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board of Directors of the Company be and is hereby authorised to take all such actions and to give all such directions as may be necessary or desirable and also to settle any question or difficulty that may arise in regard to the proposed disinvestment and further to do all such acts, deeds, matters and things and to execute all such deeds, documents and writings as may be necessary, desirable or expedient in connection therewith."

By order of the Board of Directors
For Bajaj Hindusthan Limited

Pradeep Parakh
Group President (GRC) & Company Secretary

Place : Mumbai
Dated : June 21, 2013

Notes:

1. The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 setting out all material facts and the reasons in respect of business specified above is annexed hereto.
2. The Postal Ballot Form for voting by you as a Member of the Company is enclosed.
3. The Board of Directors has appointed Mr. R. Ramachandran, Practising Company Secretary as the Scrutinizer for conducting this Postal Ballot voting process in a fair and transparent manner. His address is The Scrutinizer, C/o Bajaj Hindusthan Limited, Bajaj Bhawan, 2nd Floor, Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai 400 021.
4. Members are requested to read carefully the instructions printed on the Ballot Form and return the Form duly completed and signed, in the attached self addressed postage pre-paid envelope, so as to reach the Scrutinizer on or before **August 7, 2013.** Please note that any Postal Ballot Form(s) received after the said date will be treated as not having been received. Members are requested to exercise their voting rights by using the attached Postal Ballot Form. No other form or photocopy thereof is permitted. The scrutinizer will submit his report to the Chairman of the Company after completion of the scrutiny of the Postal Ballots. The results of the Postal Ballot will be announced on **August 19, 2013** at the Registered Office of the Company. The result shall also be announced to the Stock Exchanges where equity shares of the Company are listed and thereafter will be published in newspapers. The result will also be put on the Company's website www.bajajhindusthan.com. The resolutions, if approved, will be taken as passed effectively on the date of declaration of result.
5. All documents referred to in the accompanying Notice and the Explanatory Statement are open for inspection at the Registered Office of the Company during the office hours on any working days, except Saturdays, between 11.00 A.M. and 1.00 P.M. upto August 19, 2013.
6. **The Company also offers e-Voting facility. Please see the instructions below for details.**

   In compliance with the provisions of Section 192A of the Companies Act, 1956 read with Companies (Passing of the Resolution by Postal Ballot) Rules, 2011, the Company also offers e-voting option to all the members. For this purpose, the Company will be making necessary arrangement with National Securities Depository Limited (NSDL) for facilitating e-voting and is pleased to offer e-voting facility as an alternate, for its Members to enable them to cast their votes electronically instead of dispatching Postal Ballot Form. E-voting is optional.
7. Members have option to vote either through e-voting or through Ballot Form. Members irrespective of who have registered their e-mails for receipt of documents in electronic mode under the Green Initiative and who wish to vote through Ballot Form can download Ballot Form from the link **www.evoting.nsdl.com** or seek duplicate form from R & T Agent, M/s Sharepro Services (India) Pvt. Ltd., Unit Bajaj Hindusthan Limited, 13 AB, 2nd Floor, Samhita Warehousing Complex, Behind Sakinaka Telephone Exchange, Andheri-Kurla Road, Sakinaka, Andheri (East), Mumbai 400 072, fill in the details and send the same to the Scrutinizer by Post at the address given at Sr. No. 3 above.
8. The instructions for members for voting Electronically, are as under:

   A. In case of shareholders receiving e-mail from NSDL

   a. Open e-mail and open PDF file viz. "BHL e-Voting.pdf"with your Client ID or Folio No. as password containing your user ID and password for e-voting. Please note that the password is an initial password.

   b. Launch internet browser by typing the following URL: **https://www.evoting.nsdl.com/**

   c. Click on "Shareholder" - "Login"

   d. Put user ID and password as initial password noted in step (a) above. Click Login.

   e. Password change menu appears. Change the password 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.

   f. Home page of "e-Voting" opens. Click on "e-Voting":-- Active Voting Cycles.

   g. Select "EVEN" of Bajaj Hindusthan Limited

   h. Now you are ready for "e-Voting" as "Cast Vote" page opens.

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

   j. Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are also 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 at **kadhikari@bajajhindusthan.com** with a copy marked to **evoting@nsdl.co.in.**

   B. In case of shareholders other than in (A) above

   a. Initial password is provided at the bottom of the Postal ballot form. Please follow all steps from Sr.No.(b) to Sr.No.(j) above, to cast vote.
9. **The date of commencement of e-voting is Tuesday, July 9, 2013 and the last date for e-voting is Wednesday, August 7, 2013. The e-voting module will be disabled for voting thereafter by NSDL.**
10. Members can opt for only one mode of voting i.e. either by physical ballot or by electronic mode. If the member opts for Voting by electronic mode, then he/she should not vote by physical ballot also and vice-versa.

    However, in case Member(s) cast their vote both by physical ballot and by electronic mode, then voting done by physical shall prevail and voting done by electronic will be treated as invalid.
11. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for members and e-voting user manual for Members available at the "downloads" section of www.evoting.nsdl.com or call on (022) 2499 4600.
12. If you are already registered with NSDL for e-voting then you can use your existing user ID and password for casting your vote.

Explanatory Statement pursuant to Section 173(2) and 192(A) of the Companies Act, 1956

In respect of Item No.1

Mr. Shishir Bajaj, aged 65 years, after completing his MBA from New York University majoring in finance, joined the Company in 1974. He has been on the Board of the Company since February 1, 1986 and was appointed as Managing Director of the Company with effect from July 1, 1988. Mr. Shishir Bajaj has been holding the position of Managing Director of the Company since then. He became Chairman of the Company in the year 1999. The performance of the Company has been commendable under the stewardship of Mr. Shishir Bajaj. The present term of office of Mr. Shishir Bajaj as the Managing Director of the Company expires on June 30, 2013.

The Board of Directors, therefore, at its meeting held on May 9, 2013 has, subject to the approval of shareholders and such other approval(s)/ permission(s)/ consent(s) as may be required, re-appointed Mr. Shishir Bajaj as the Managing Director of the Company for a further period of 5 (five) years from July 1, 2013 at a remuneration approved by the Remuneration and Compensation Committee of the Directors at its Meeting held on May 9, 2013.

The other terms and conditions of the aforesaid appointment are as under:

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

b) The Managing Director shall not, so long as he functions as such, become interested or otherwise concerned directly or through his wife and/or minor children in any selling agency of the Company in future without prior approval of the Central Government.

A statement pursuant to Section 302 of the Companies Act, 1956 in respect of resolution passed by the Board of Directors in this regard was circulated to the Members of the Company.

The Board has proposed to pay the above remuneration as the Minimum Remuneration which, in the event of absence or inadequacy of profits of the Company in any financial year during the period of three years from the date of re-appointment of Mr. Shishir Bajaj as Managing Director, i.e. with effect from July 1, 2013, would be in excess of the maximum remuneration payable to him as an Executive Director as specified in Schedule XIII to the Companies Act, 1956 and therefore will require approval of the members and also the Central Government in terms of Section 198(4) read with Schedule XIII of the Companies Act, 1956. Statement as required under Section II, part II of the Schedule XIII of the Companies Act, 1956 with reference to resolution at the Item no. 1 is annexed hereto and marked **Annexure - A.**

Pursuant to the provisions of Sections 198, 269, 309 and other applicable provisions, if any, of the Companies Act, 1956 read with Schedule XIII hereto, re-appointment of Mr. Shishir Bajaj as the Managing Director of the Company and payment of remuneration (including as minimum remuneration) is subject to the approval of shareholders by way of Special Resolution. The Board of Directors of the Company recommends passing of the Special Resolution as Item no.1 of the Notice.

A copy each of the resolution passed by the Board of Directors and the Remuneration and Compensation Committee at their respective meetings held on May 9, 2013 and the Statement pursuant to Section 302 of the Companies Act, 1956 circulated to the shareholders, as referred to above, are available for inspection by members at the Registered Office of the Company during the office hours on any working days, except Saturdays, between 11.00 A.M. and 1.00 P.M. upto August 19, 2013.

Mr. Shishir Bajaj, Chairman and Managing Director, is and Mr. Kushagra Bajaj, Vice Chairman and Joint Managing Director, being relative of Mr. Shishir Bajaj within the meaning of Section 6 of the Companies Act, 1956, may be deemed to be interested in the resolution at Item no. 1 of the Notice. Save as aforesaid, none of the Directors of the Company is, in any way, concerned or interested in the said resolution.

Details of Director seeking re-appointment through postal ballot/e-voting (pursuant to Clause 49 of the Listing Agreement) as on June 21, 2013.

Name of the Director	Mr. Shishir Bajaj
DIN	00017612
Date of Birth	10.12.1947
Nationality	Indian
Date of Appointment on the Board	1.2.1986
Relationship with other Director	Father of Mr. Kushagra Bajaj
Qualifications	MBA from New York University
Experience and expertise in specific functional area	An Industrialist, he is actively looking after the affairs of the Company since 1974. He was inducted on the Board as Joint Managing Director of the Company in 1986 and became Managing Director in 1988. Presently he is also the Chairman of the Company
Shareholding in Bajaj Hindusthan Ltd.	8396341 equity shares of Re.1/- each
List of Directorship held in other companies	Bajaj Resourses Limited Bajaj Capital Ventures (P) Ltd. Bajaj Trustee Company Pvt. Ltd. Bajaj Power Ventures Pvt. Ltd. A.N. Bajaj Enterprises Pvt. Ltd.
Chairman / Member of the committees of the Board of other Companies in which he is a Director	NIL

In respect of Item no. 2

With a view to diversify its business activities and to insulate itself from the vagaries of cyclical nature of sugar business, Bajaj Hindusthan Limited (BHL) initiated steps for setting up coal based thermal power business in partnership with the Promoter's Group through various Special Purpose Vehicles (SPVs). The present status of thermal power business is summarized hereunder:

A. **Phase-I - 450 MW:** Comprising of 90 MW (2X45 MW) thermal power plants in Uttar Pradesh (U.P.) at five locations adjacent to the existing Sugar Mills of the Company through SPV - Bajaj Energy Private Limited (BEPL) with around 26.96% Equity Shares presently held by BHL at an aggregate cost of Rs 203.81 Crores. The balance Equity Shares in BEPL are being held by Promoter Group Entities. All these five power plants of BEPL have commenced commercial operation around a year back.

B. **Phase-II - 1980 MW:** Comprising of 1980 MW (3X660 MW) thermal power plants at Lalitpur, U.P. through SPV-Lalitpur Power Generation Company Limited (LPGCL). The project work of LPGCL is in progress as per schedule. LPGCL is, presently, a subsidiary of the Company with around 51% Equity Shares (out of issued and allotted) held by it. The balance Equity Shares in LPGCL is being held by Promoter Group Entity. BHL has to contribute and maintain a minimum of 26% holding in the equity of LPGCL till the commissioning of the project.

The aggregate summary of the project cost and funding pattern for above two power plant SPVs is provided in the table below: -

₹ in crore

SPVs	Total Project Cost	Debt Funding	Equity Funding	BHL's Contribution in Equity Funding
BEPL	2767	1937	830	203.81
LPGCL	12112	8886	3226	840.00
Total	14879	10823	4056	1043.81

Further, to meet the ongoing fund requirements for project related activities in LPGCL and to fulfill its obligation to hold 26% Equity Shares till commissioning of the project, BHL is required to contribute equity funds aggregating to ₹ 552 crore in LPGCL from time to time.

Owing to the volatile times being faced by the sugar industry and consequent financial crunch being faced by BHL, the Board has recommended to part finance the aforesaid equity contribution in LPGCL by divesting its stake in BEPL.

In view of the difficult market condition, the Company has found it difficult to divest its holding in BEPL. However, a promoter group entity has agreed to purchase the entire equity stake of BEPL held by BHL at such consideration as may be derived based on valuations done by experts.

Accordingly, SBI Capital Markets Limited (SBICAPS), a category 1 Merchant Banker, has vide its valuation report dated April 27, 2013 valued the 26.96% of Equity Shares of BEPL at ₹ 255.30 crore. The cost of investment by BHL for 26.96% Equity Shares in BEPL is ₹ 203.81 crore.

The Board of Directors of the Company recommends passing of the Special Resolution as Item no. 2 of the Notice so as to enable the Company to disinvest its holding in BEPL.

A copy of the Valuation Report issued by SBICAPS dated April 27, 2013 is available for inspection by members at the Registered Office of the Company during the office hours on any working days, except Saturdays, between 11.00 A.M. and 1.00 P.M. upto August 19, 2013.

None of the Directors of the Company, except Mr. Shishir Bajaj, Chairman and Managing Director and Mr. Kushagra Bajaj, Vice Chairman and Joint Managing Director, is any way, concerned or interested in the resolution at Item No.2 of the Notice.

In respect of Item no. 3

In view of exploring new business opportunities in Singapore, Bajaj Hindusthan Limited (BHL) incorporated a wholly owned subsidiary in Singapore by the style and name of Bajaj Hindusthan (Singapore) Private Ltd (BHSPL). BHSPL is engaged in the business of international trading in commodities, primarily sugar.

During the course of time, BHSPL initiated the process of acquiring coal mines in Indonesia to ensure regular and uninterrupted supply of fuel to power plants owned and set up by the group. In this regard two companies have been acquired in Indonesia and further work of exploration and development of mines is being made. Until now, BHSPL has invested nearly 16 million USD and further large investments will be required in development and mining work at coal mines. Till date BHL has invested a sum of around ₹ 92 crore in equity capital of BHSPL.

The Board has recommended to part finance Bajaj Hindusthan Limited's equity contribution in Lalitpur Power Generation Company Limited, as elaborated and explained in explanatory statement in respect of Item no. 2 of this Notice, by divesting its entire equity stake in BHSPL.

A promoter group entity has agreed to purchase the entire equity stake of BHSPL held by BHL at such consideration as may be derived based on independent valuations done by experts.

Accordingly, M/s L.B. Jha & Co., Chartered Accountants has vide its valuation report dated June 6, 2013 valued the entire Ordinary Shares of BHSPL at USD 16.35 million (₹ 95.56 crore approx.) The cost of investment by BHL for the entire shares in BHSPL is ₹ 92.32 crore.

The Board of Directors of the Company recommends passing of the Special Resolution as Item no. 3 of the Notice so as to enable the Company to disinvest its holding in BHSPL.

A copy of Valuation Report issued by M/s L.B. Jha & Co., Chartered Accountants dated June 6, 2013 is available for inspection by members at the Registered Office of the Company during the office hours on any working days, except Saturdays, between 11.00 A.M. and 1.00 P.M. upto August 19, 2013.

None of the Directors of the Company, except Mr. Shishir Bajaj, Chairman and Managing Director and Mr. Kushagra Bajaj, Vice Chairman and Joint Managing Director, is any way, concerned or interested in the resolution at Item No.3 of the Notice.

By order of the Board of Directors
For Bajaj Hindusthan Limited

Pradeep Parakh
Group President (GRC) & Company Secretary

Place : Mumbai
Dated : June 21, 2013

Statement as required under Section II, Part II of the Schedule XIII of the Companies Act, 1956 with reference to the Resolution at Item No. 1 is as follows:

I. General Information:

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

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

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

(4) Financial performance based on given Indicators:

Sl. No.	Particulars	Audited figure for 12 month period ended 30.09.2012 (₹ in crore)	Audited figure for 12 month period ended 30.09.2011 (₹ in crore)	Audited figure for 12 month period ended 30.09.2010 (₹ in crore)
1.	Revenue from operations	4262.63	4903.80	2928.59
2.	Other income	106.15	15.35	100.39
3.	Total Expenses	3804.87	4053.35	2415.16
4.	Finance Charges (net)	536.41	515.95	301.34
5.	Depreciation & Amortisation	348.82	330.91	257.44
6.	Profit /(Loss) before tax	(321.32)	18.94	55.04
7.	Provision for Tax Expenses	(86.75)	6.94	3.29
8.	Profit / (Loss) after tax	(234.57)	12.00	51.75

(5) Export performance and net foreign exchange collaborations: Earnings in foreign exchange during 2011-12 was ₹ 30.43 crore.

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

II. A. Information about the appointee Mr. Shishir Bajaj

(1) Background details:

Mr. Shishir Bajaj is an eminent industrialist from Bajaj family, is actively looking after the affairs of the Company since 1974. Mr. Bajaj, aged 65 years, has been on the Board of the Company since February 1, 1986 as Joint Managing Director. He was appointed as Managing Director of the Company with effect from July 1, 1988. Presently he is also the Chairman of the Company.

(2) Past remuneration:

I. Remuneration:

a) Salary: In the range of ₹ 9,00,000/- per month to ₹ 18,00,000/- per month

b) Allowances and Perquisites:

i) Housing:

a) Residential accommodation OR House Rent Allowance at the rate of 50% of Salary.

b) Expenses pertaining to gas, electricity, water and other utilities will be borne/reimbursed by the Company.

c) The Company shall provide such furniture and furnishing as may be required by the Managing Director.

ii) Contribution to Provident Fund: Company's contribution to Provident Fund equal to 12% of salary or up to such an amount permissible under the law and as may be decided by the Board of Directors from time to time.

iii) Contribution to Superannuation Fund: Company's contribution to Superannuation Fund equal to 15% of salary or up to such an amount permissible under the law and as may be decided by the Board of Directors from time to time.

iv) Medical Reimbursement: Reimbursement of actual medical expenses incurred in India and/or abroad and including hospitalisation, nursing home and surgical charges for himself and his family. In case of any medical treatment abroad, the travelling, boarding and lodging expenses for patient and attendant are also payable.

v) Leave Travel Concession: Reimbursement of all the expenses (like travel fare, lodging, boarding, conveyance and other expenses) incurred for self and his family during leave travel periods, wherever undertaken, whether in India or abroad.

vi) Club Memberships: Subscription or reimbursement of membership fees for clubs in India and/ or abroad, including admission and life membership fees.

vii) Entertainment Expenses: Reimbursement of entertainment expenses incurred in the course of business of the Company.

viii) Personal Accident Insurance: Personal accident insurance policy in accordance with the scheme applicable to senior employees of the Company.

ix) Gratuity: Gratuity at the rate of one month's salary for each completed year of service.

x) Leave: Leave with full pay or encashment thereof as per the rules of the Company. Encashment of the unavailed leave being allowed at the end of the tenure.

Explanation:

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

c) Commission: Commission at the rate of 1% (one per cent) of the net profits of the Company for each financial year, payable after adoption of the annual accounts for that financial year by shareholders.

d) Amenities:

i) Conveyance facilities: The Company shall provide suitable conveyance facilities as may be required by the Managing Director.

ii) Communication facilities: The Company shall provide telephone, telefax and other communication facilities at the Managing Director's residence.

(3) Recognition of awards: Nil.

(4) Job profile and suitability: Mr. Shisihir Bajaj, Chairman and Managing Director is in overall in charge of running the affairs of the Company under the supervision and control of the Board of Directors. The performance of the Company has been commendable under the stewardship of Mr. Shisihir Bajaj. Over the last five years, the Company consolidated its operational capacities by successfully completing the merger of Bajaj Hindusthan Sugar and Industries Limited with the Company which resulted in the Company's revenue crossing ₹ 4,000 crore in 2010-11.

(5) Remuneration proposed: As stated in resolution at Item no.1 the approval of shareholders by a Special Resolution is sought for payment of remuneration and also in case the Company has no profit or inadequate profit in any financial year during a period of 3 (Three) years with effect from July 1, 2013, the present remuneration be treated as minimum remuneration.

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

(7) Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any: Mr. Shishir Bajaj is a Promoter Director of the Company, holding directly and indirectly through promoter and promoter group, 29,49,30,766 Equity Shares of ₹ 1 each which constitute 46.13 % of the paid up capital of the Company. Mr. Kushagra Bajaj, Vice Chairman and Joint Managing Director of the Company, is the son of Mr. Shishir Bajaj. No other managerial personnel has any relationship with Mr. Shishir Bajaj.

III. Other information:

(1) Reasons for loss or inadequate profits:

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

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

Another disruptive factor was the disparity in sugarcane price in Uttar Pradesh. Current year, the U.P. Government had announced SAP of ₹ 280 per quintal for sugar season 2012-2013 irrespective of sugar recovery, which was much higher than FRP (Fair & Remunerative Price) fixed by the Central Government.

On top of it, the sugar production in India during last few years witnessed an unprecedented leap resulting in sharp drop in sugar prices due to demand supply mismatch. Cost of production of sugar in the current year has moved up, but the same could not be covered by increase in realisation.

In the year 2010-11, Raw Sugar had been sold for ₹ 606.31 crore, however sales of Raw Sugar were almost negligible in the current year.

Six months operations ending September 30, 2012 of Boards Division has contributed in a loss of ₹ 18.83 crore.

This coupled with the increase in interest cost resulted in incurring of loss by almost all sugar mills in Uttar Pradesh (U.P). BHL presently is the largest producer of sugar not only in U.P. but in India. Its aggregate crushing capacity is 1.36 lakhs TCD. If the present SAP and the market price of sugar continue, even variable costs may not be covered.

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

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

The Company has taken certain initiatives towards operational efficiencies which will increase percentage of recovery and production of sugar. The Company's initiatives towards better financial management will also reduce in finance cost on Company's borrowings. The Company plans to reduce its debts and consequently the interest cost. The improved usage of by-product is also expected to contribute to overall realisations.

Following development will also improve the profitability of the Company:

- Ethanol Price: Recently Price Bid for Ethanol for the year 2013 has been opened by Oil Marketing Companies and based on the same the average price is expected to be higher than previous year.
- Abolition of Release Mechanism & 10% Sugar Levy Obligation: Company had 10% levy obligation i.e. 10% of sugar produced was required to be sold to Government at an approximate price of ₹ 20 per kg. The Rangarajan Committee led by Chairman of the Prime Minister's Economic Advisory Council has advised de-regulation of sugar industry and recently Central Government in its meeting of CCEA on 4th April 2013 has announced partial decontrol of sugar sector. Accordingly, it has taken the decision of abolition of (i) regulated release mechanism with immediate effect and (ii) levy sugar obligation on the mills with effect from October 1, 2012.

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

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

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

The improved operational efficiency coupled with other factors like demand-supply position and value addition for its by-products etc. are likely to increase the profitability of the Company.

Due to factors stated in para (2) above Company expects significant rise in revenues and profits. Similarly after abolishment of regulated release mechanism, Company will now be able to discount the opportunities of gap between demand and supply in the domestic market and thereby improve its average realization.

IV. Disclosures:

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

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

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

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

iii. Service contracts, notice period, severance fees;

iv. Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable.

The requisite details in respect of para 2(i) to 2(iv) in respect of all Directors (except two newly appointed Directors, appointed w.e.f. 1.10.2012) are given in the Corporate Governance Report for the financial year ended September 30, 2012 attached to the 81st Annual Report.

bajaj hindusthan ltd.

Registered Office: Bajaj Bhawan, 2nd Floor, Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai - 400 021

POSTAL BALLOT FORM

SERIAL NO:

1. Name(s) of shareholder (s) (including Joint-holders, if any)

2. Registered Address of the Sole/ First named shareholder

3. Registered Folio Number/ DP ID No./Client ID No.*
   *(Applicable to shareholders holding Shares in dematerialized form)

4. Number of Equity Share(s) held

5. I/We hereby exercise my/our vote in respect of the Special Resolutions to be passed through postal ballot for the business stated in the Notice of the Company dated June 21, 2013 by sending my/our assent or dissent to the said resolution by placing the tick (✓) mark at the appropriate box below:

(Important Note for Voting: To ensure valid and proper voting on the Ballot Paper, please: i) Fill in Col. (1) for the number of shares being voted, ii) Tick (✓) the Col. (2) for voting (FOR) and/or Tick (✓) the Col. (3) for voting (AGAINST) and iii) Sign this Ballot Paper and post it in the pre-paid envelope)

Item No.	No. of shares being voted (1)	I/We assent to the resolution (FOR) (2)	I/We assent to the resolution (AGAINST) (3)
1. Special Resolution under Sections 198, 269, 309 and other applicable provisions, if any, of the Companies Act, 1956 for re-appointment and payment of remuneration to Mr. Shishir Bajaj, Chairman & Managing Director for a further period of 5 years w.e.f. July 1, 2013 and payment of minimum remuneration in case of loss or inadequacy of profit for a period of 3 years.			
2. Special Resolution for sale of Equity Shares held by the Company in Bajaj Energy Private Limited.			
3. Special Resolution for sale of Ordinary Shares held by the Company in Bajaj Hindusthan (Singapore) Private Limited.			

Place:

Date:

Signature of the shareholder*

(*In case of authorized representative of a body corporate, certified true copy of the relevant authorization viz. Board Resolution/Power of Attorney should be sent along with Ballot Form)

ELECTRONIC VOTING PARTICULARS

EVEN (E-Voting Event Number)	User ID	Password

Note: For e-voting, please refer the instructions under "E-Voting Facility" in the Notice attached herewith

Last date for receipt of Postal Ballot Form by the Scrutinizer : 07/08/2013

bajaj hindusthan ltd.

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Last date for receipt of Postal Ballot Form by the Scrutinizer : 07/08/2013

INSTRUCTIONS

Instructions to members opting for voting in paper mode (Sr. No. 1 to 11)

1. The Company is providing voting through Postal Ballot only. A Member desiring to exercise vote by Postal Ballot may complete this Postal Ballot Form and send it to the Scrutinizer in the enclosed self-addressed business reply envelope. Postage will be borne and paid by the Company. However, envelopes containing Postal Ballots, if deposited in person or sent by courier at the expense of the Shareholder will also be accepted. **The Company also offers e-voting facility. Please see instruction in Sr. No.12 below for details.**
2. The self-addressed envelope bears the address of the Scrutinizer appointed by the Board of Directors of the Company.
3. This Postal Ballot Form should be completed and signed by the Member as per the specimen signature registered with the Company. In case of joint holding, this form should be completed and signed by the first named Member and in his/her absence, by the next named Member. Unsigned /Blank Postal Ballot Form will be rejected.
4. Where the Postal Ballot Form has been signed by an authorized representative of a body corporate, a certified true copy of the relevant authorization to vote on the Postal Ballot should accompany the Postal Ballot Form. Where the form has been signed by a representative of the President of India or of the Governor of a State, a certified copy of the nomination should accompany the Postal Ballot Form. A Member may sign the form through an Attorney appointed specifically for this purpose, in which case an attested copy of the Power of Attorney should be attached to the Postal Ballot Form.
5. A Member need not use all his votes nor he needs to cast all his votes in the same way.
6. Duly completed Postal Ballot Form(s) should reach the Scrutinizer not later than the close of working hours on Wednesday, August 7, 2013. All Postal Ballot Form(s) received after this date will be strictly treated as if the reply from such Member has not been received.
7. A Member may request for a duplicate Postal Ballot Form, if so required. However, the duly filled in duplicate Postal Ballot Form should reach the Scrutinizer not later than the date specified at item 6 above.
8. Voting rights shall be reckoned on the paid up value of shares registered in the name of the Member on the cut-off date i.e. June 28, 2013.
9. Members are requested not to send any other paper along with the Postal Ballot Form in the enclosed self-addressed business reply envelope. Any extraneous paper found in such envelope will be destroyed by the Scrutinizer.
10. The Scrutinizer's decision on the validity of the Postal Ballot Form will be final.
11. The results of the Postal Ballot will be declared at the Registered Office of the Company as specified `in the Notice. The results will be thereafter published in newspapers and communicated to the Stock Exchanges for the information of the Members. The results of the Postal Ballot will also be posted on the website of the Company http:// www.bajajhindusthan.com

Instructions to members opting for E-Voting (Sr. No. 12 to 15)

12. **The Company is pleased to offer e-voting facility as an alternate, for its members to enable them to cast their votes electronically instead of dispatching Postal Ballot Form by post. For exercising e-voting facility, the User ID and initial Password are provided at the bottom of the Postal Ballot Form and the detailed procedure is enumerated below:**

E-VOTING

A. In case of shareholders receiving e-mail from NSDL

a. Open e-mail and open PDF file viz. "BHL e-Voting.pdf"with your Client ID or Folio No. as password containing your user ID and password for e-voting. Please note that the password is an initial password.
b. Launch internet browser by typing the following URL: **https://www.evoting.nsdl.com**
c. Click on "Shareholder"- "Login"
d. Put user ID and password as initial password noted in step (a) above. Click Login.
e. Password change menu appears. Change the password 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.
f. Home page of "e-Voting" opens. Click on "e-Voting":-- Active Voting Cycles.
g. Select "EVEN" of Bajaj Hindusthan Limited
h. Now you are ready for "e-Voting" as "Cast Vote" page opens.
i. Cast your vote by selecting appropriate option and clik on "Submit" and also "Confirm" when prompted.
j. Institutional shareholders (i.e.other than individuals, HUF,NRI, etc.) are also 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 at **kadhikari@bajajhindusthan.com** with a copy marked to **evoting@nsdl.co.in.**

B. In case of shareholders other than in (A) above

a. Initial password is provided at the bottom of the Postal Ballot Form. Please follow all steps from Sr. No. (b) to Sr. No. (j) above, to cast vote.

13. **The date of commencement of e-voting is Tuesday, July 9, 2013 and the last date for e-voting is Wednesday, August 7, 2013. The e-voting module will be disabled for voting thereafter by NSDL.**
14, Members can opt for only one mode of voting i.e. either by physical ballot or by electronic mode. If the Member opts for Voting by electronic mode, then he/she should not vote by physical ballot also and vice-versa.
However, in case Member(s) cast their vote both by physical ballot and by electronic mode, then voting done by physical shall prevail and voting done by electronic will be treated as invalid.
15. Kindly note that vote once cast cannot be modified.
16. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for shareholders and e-voting user manual for Members available at the "downloads" section of **www.evoting.nsdl.com** or call on (022) 24994600.
17. If you are already registered with NSDL for e-voting then you can use your existing user ID and password for casting your vote.

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a. Open e-mail and open PDF file viz. "BHL e-Voting.pdf"with your Client ID or Folio No. as password containing your user ID and password for e-voting. Please note that the password is an initial password.
b. Launch internet browser by typing the following URL: **https://www.evoting.nsdl.com**
c. Click on "Shareholder"- "Login"
d. Put user ID and password as initial password noted in step (a) above. Click Login.
e. Password change menu appears. Change the password 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.
f. Home page of "e-Voting" opens. Click on "e-Voting":-- Active Voting Cycles.
g. Select "EVEN" of Bajaj Hindusthan Limited
h. Now you are ready for "e-Voting" as "Cast Vote" page opens.
i. Cast your vote by selecting appropriate option and clik on "Submit" and also "Confirm" when prompted.
j. Institutional shareholders (i.e.other than individuals, HUF,NRI, etc.) are also 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 at **kadhikari@bajajhindusthan.com** with a copy marked to **evoting@nsdl.co.in.**

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However, in case Member(s) cast their vote both by physical ballot and by electronic mode, then voting done by physical shall prevail and voting done by electronic will be treated as invalid.
15. Kindly note that vote once cast cannot be modified.
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17. If you are already registered with NSDL for e-voting then you can use your existing user ID and password for casting your vote.