

August 11, 2016

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

Sub: 84th Annual General Meeting of the Members of the Company

The Notice convening 84th Annual General Meeting (AGM) of the Members of the Company scheduled to be held on Friday, September 16, 2016 at 11.00 A.M. containing the business to be transacted thereat is attached herewith.

As per Section 108 of the Companies Act 2013 read with Rule 20 of the Companies (Management and Administration) Rules 2014 and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015, the Company is providing to its members the facility to cast their vote by electronic means on all resolutions set forth in the Notice. The instructions for e-voting are mentioned in the Notice.

We are also attaching herewith Annual Report for the financial year ended March 31, 2016.

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

Thanking you,

Yours faithfully,
For **Bajaj Hindusthan Sugar Limited**



Kausik Adhikari
Deputy Company Secretary

Encl: as above

NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the **Eighty Fourth Annual General Meeting** of the Members of Bajaj Hindusthan Sugar Limited (Formerly: Bajaj Hindusthan Limited) will be held on **Friday, September 16, 2016 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 of the Company for the financial year ended as at March 31, 2016 and the Reports of the Board of Directors and the Auditors thereon for the said year.
2. To appoint a director in place of Mr. Kushagra Bajaj, Chairman & Managing Director (DIN: 00017575), who retires by rotation and being eligible, offers himself for re-appointment.
3. To consider and, if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Companies (Audit and Auditors) Rules 2014 (the Rules), including any statutory modification(s) or re-enactment(s) thereof for the time being in force, appointment of Messrs Chaturvedi & Shah, Chartered Accountants (Firm Registration No.101720W), as the Statutory Auditors of the Company is hereby ratified, to hold office from the conclusion of this (84th) Annual General Meeting until the conclusion of the next (85th) Annual General Meeting of the Company on such remuneration plus service tax, out-of-pocket expenses etc. as may be mutually agreed upon by the Board of Directors and the Auditors.”

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 Sections 149, 150, 152, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (Act) read with the Companies (Appointment and Qualifications of Directors) Rules, 2014 (the Rules), including any statutory modification(s) or re-enactments thereof for the time being in force, and in accordance with the Articles of Association of the Company, Mr. Vipulkumar Shirishkumar Modi (DIN:06985276), who was appointed as an Additional Director of the Company with effect from 7th January, 2016, and who has submitted a declaration that he meets the criteria of independence, as provided in Section 149(6) of the Act and in accordance with SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and is qualified for being appointed as an Independent Director and in respect of whom a notice in writing under Section 160 of the Act has been received from a member proposing his candidature for the office of Independent Director, be and is, hereby appointed as an Independent Director of the Company, to hold office upto January 06, 2021.”

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 Section 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 (Act) read with the Companies (Appointment and Qualifications of Directors) Rules, 2014 (the Rules), including any statutory modification(s) or re-enactments thereof for the time being in force, and in accordance with the Articles of Association of the Company, Mr. Ashok Mukand (DIN:01235804), who was appointed as an Additional Director of the Company with effect from 14th September, 2015, pursuant to Section 161 of the Act and the Articles of Association of the Company, and who holds office up to the date of this Annual General Meeting of the Company, who being eligible, offers himself for appointment and in respect of whom a notice in writing under Section 160 of the Act has been received from a member proposing his candidature for the office of Director, be and is, hereby appointed as Nominee Director of the Company, not liable to retire by rotation.”

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

“RESOLVED THAT pursuant to Section 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 (Act) read with the Companies (Appointment and Qualifications of Directors) Rules, 2014 (the Rules), including any statutory modification(s) or re-enactments thereof for the time being in force, and in accordance with the Articles of Association of the Company, Mr. Binod Kumar (DIN:07361689), who was appointed as an Additional Director of the Company with effect from 7th January, 2016, pursuant to Section 161 of the Act and the Articles of Association of the Company, and who holds office up to the date of this Annual General Meeting of the Company, who being eligible, offers himself for appointment and in respect of whom a notice in writing under Section 160 of the Act has been received from a member proposing his candidature for the office of Director, be and is, hereby appointed as Nominee Director of the Company, liable to retire by rotation.”

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

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, read with Schedule V to the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to the approval of Shareholders, Central Government and such other approval(s), permission(s) and / or sanction (s) as may be necessary, Mr. Kushagra Bajaj (DIN-00017575) be and is hereby re-appointed as Chairman & Managing Director of the Company for a period of further Five (5) years with effect from April 24, 2017, at the terms and remuneration as set out below:

I. Remuneration:

- a) Salary: ₹ 7,20,000 p.m. in the scale of 7,20,000 - 18,00,000. The Board of Directors of the Company may decide such accelerated increments as may be deemed appropriate at its absolute discretion.

II. 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.

Explanation:

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

III. 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.

IV. Others including Retirals:

- i) Contribution to Provident Fund: Company's contribution to Provident Fund equivalent 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.
- ii) Contribution to Superannuation Fund: Company's contribution to Superannuation Fund equivalent 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.
- 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. Encashment of the unavailed leave being allowed at the end of the tenure.
- v) Conveyance: The Company shall provide suitable conveyance facilities as may be required by the Managing Director.
- vi) Communication Facilities: The Company shall provide telephone, telefax and other communication facilities at the Managing Director's residence.

V. Overall remuneration:

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

VI. Minimum remuneration:

In the event of loss or inadequacy of profits, in any financial year, the payment of salary, commission, perquisites and other allowances shall, subject to approval by the Central Government be governed by the provisions of Section II of Part II of Schedule V to the Companies Act, 2013 including any statutory modification(s) or re-enactment thereof, as may, for the time being, be in force.

"RESOLVED FURTHER THAT in case the Company has in any financial year no profits or if its profits are inadequate anytime during the period of 3 (three) years from April 24, 2017, the Managing Director 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 Nomination and Remuneration 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, 2013 read with Schedule V to the Companies Act, 2013 or any modification thereto and as may be agreed by and between the Board and the Managing Director."

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

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder, read with Schedule V to the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to the approval of Shareholders, Central Government and such other approval(s), permission(s) and / or sanction (s) as may be necessary, consent and approval of the board of Directors be and is hereby accorded for payment of minimum remuneration to Mr. Ashok Kumar Gupta (DIN-02608184), Director (Group Operations) as Overall and Minimum Remuneration during the period from April 01, 2017 to September 30, 2017 (upto the date of remaining tenure of the present appointment) as set out below:

I. Overall Remuneration:

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

II. Minimum Remuneration:

In the event of loss or inadequacy of profits, in any financial year, the payment of salary, commission, perquisites and other allowances shall, subject to approval by the Central Government be governed by the provisions of Section II of Part II of Schedule V to the Companies Act, 2013 including any statutory modification(s) or re-enactment thereof, as may, for the time being, be in force."

"RESOLVED FURTHER THAT the Board of Directors of the Company, be and is hereby authorized to take all the actions and steps expedient or desirable to give effect to this resolution in conformity with the provisions of the Companies Act, 2013 and also to settle any question, difficulty or doubt that may arise in this regard without requiring to secure any further consent or approval of the shareholders of the Company."

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

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, read with Schedule V to the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to the approval of Shareholders, Central Government and such other approval(s), permission(s) and / or sanction (s) as may be necessary, Mrs. Kiran Anuj (DIN 02606822) be and is hereby appointed as Whole-time Director of the Company with designation as "Director (Administration)" for the period from June 01, 2016 to June 19, 2016 at the terms and remuneration as set out below:

I. Remuneration:

Salary: ₹ 2,15,000 per month in the scale of ₹ 2,00,000 – 6,00,000.

II. Perquisites and allowances:

- i) House Rent Allowance: House Rent Allowance at the rate of 20% of basic salary.
- ii) Special Allowance: Special Allowance as per the rules of the Company, presently ₹ 2,81,450 per month.
- iii) Leave Travel Allowance: Leave Travel Allowance in respect of herself and family not exceeding one month's salary per annum as per the rules of the Company.
- iv) Other Allowances: Allowances for Food Coupons, Children Education, etc. as per the rules of the Company.
- v) Medical Reimbursement: Reimbursement of actual medical expenses incurred as per the rules of the Company.
- vi) Other Perquisites: Subject to overall ceiling on remuneration mentioned hereinbelow the Whole-time 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, wherever applicable and in absence of any such rule, perquisites shall be evaluated at actual cost.

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

IV. Others including Retirals:

- i) Payment in lieu of Provident Fund at the rate of 12% of basic salary
- ii) Superannuation: Superannuation at the rate of 15% of the basic salary.
- iii) Gratuity: Gratuity payable to the extent permitted under the Payment of Gratuity Act, 1972.
- iv) Leave: Leave with full pay or encashment thereof as per the Rules of the Company.
- v) Conveyance: Reimbursement of driver's salary, fuel expenses, car repairs and maintenance and car insurance renewal as per the rules of the Company.
- vi) Communication: Reimbursement of residential telephone expenses as per the rules of the Company.
- vii) Other Facilities: Reimbursement of uniform expenses and books and periodicals expenses as per the rules of the Company.

IV. Overall Remuneration:

The Whole-time Director shall not be paid any sitting fees for attending the meetings of the Board of Directors or Committees thereof. The aggregate of salary, perquisites and other allowances in any financial year shall, subject to approval by the Central Government be governed by the provisions of Part II of Schedule V to the Companies Act, 2013 including any statutory modification(s) or re-enactment thereof as may, for the time being, be in force.

V. Minimum Remuneration:

In the event of loss or inadequacy of profits, in any financial year, the payment of salary, commission, perquisites and other allowances shall, subject to approval by the Central Government be governed by the provisions of Section II of Part II of Schedule V to the Companies Act, 2013 including any statutory modification(s) or re-enactment thereof, as may, for the time being, be in force.

"RESOLVED FURTHER THAT in case the Company has in any financial year no profits or if its profits are inadequate anytime during the period from June 01, 2016 to June 19, 2016, the Whole-time 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 Nomination and Remuneration Committee) to revise, amend, alter and vary the terms and conditions relating to the remuneration payable to the Whole-time Director in such manner as may be permitted in accordance with the provisions of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 or any modification thereto and as may be agreed by and between the Board and Mrs. Kiran Anuj."

10. 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 ₹ 3,73,000/- (Rupees Three lac seventy three 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, 2017, be and is hereby ratified and confirmed.”

11. 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



Pradeep Parakh
Group President (GRC) &
Company Secretary

Place: Mumbai
Dated: July 12, 2016

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. Kushagra Bajaj, Chairman & Managing Director (DIN :00017575), retires by rotation and being eligible, offers himself for reappointment. The Board of Directors recommends 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 Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015 are provided in the annexure to the notice.
6. The Statement setting out the material facts pursuant to Section 102 of the Companies Act, 2013 (“the Act”), concerning the Special Business in the Notice is annexed hereto and forms part of this Notice.
7. The Register of Directors’ and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or arrangements in which the Directors are available for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, between 11.00 a.m. and 1.00 p.m. up to the date of the Annual General Meeting.
8. The Register of Members and Share Transfer Books of the Company shall remain closed from Saturday, September 10, 2016 to Friday, September 16, 2016 (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. Link Intime 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
M/s Link Intime India Private Limited
Unit : Bajaj Hindusthan Sugar Limited
C-13 Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup West
Mumbai 400 078
Tel. No.: 022 2594 3838
Fax No.: 022 2594 6969
Email: rnt.helpdesk@linkintime.co.in
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
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

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

The Ministry of Corporate Affairs (MCA) on 10th May, 2012 notified the IEPF (Uploading of information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012 (IEPF Rules), which is applicable to the Company. The objective of the IEPF Rules is to help the shareholders ascertain status of the unclaimed amounts and overcome the problems due to misplacement of intimation thereof by post etc. In terms of said IEPF Rules, the Company has uploaded the information in respect of the Unclaimed Dividends in respect of the financial years from 2007-2008, as on the date of the 83rd Annual General Meeting held on 14th September 2015, on the website of the IEPF viz. www.iepf.gov.in and under 'Investors Section' on the website of the Company viz. www.bajajhindusthan.com

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. Link Intime India Private 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. Link Intime 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 2015-2016 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 2015-2016 is being sent in the permitted mode.
17. Electronic copy of the Notice of the 84th 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 84th 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 84th Annual General Meeting and the Annual Report for 2015-2016 will also be available on the Company's website 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.
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 the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and sub clause (1) & (2) of Clause 44 of SEBI (LODR) Regulations, 2015, the Company is pleased to offer e-voting facilities to Members in respect of the business to be transacted at the 84th Annual General Meeting (AGM). The Company has engaged the services of Central Depository Services (India) Limited (CDSL) as authorised agency to provide e-voting facility. It is clarified that it is not mandatory for a Member to vote using remote e-voting facility. In order to facilitate those Members, who do not wish to use the e-voting facility, the Company is enclosing a Ballot Form. Resolutions passed by Members through e-voting or ballot forms are deemed to have been passed as if they have been passed at the Annual General Meeting (AGM).

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

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

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

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on **September 12, 2016** (9:00 a.m.) and ends on **September 15, 2016** (5.00 p.m). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of **September 09, 2016** may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.

- (iv) Now Enter your User ID
- For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN of Bajaj Hindusthan Sugar Limited.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
- B. Members whose e-mail ID(s) are not registered with the Company/Depository Participants or request for a physical copy, the procedure to vote electronically is as under:
- Initial password is provided as below/at the bottom of the Attendance Slip for the AGM sent with Annual Report:

REVSN (Remote e-voting Sequence Number)	USER ID	PASSWORD/PIN
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 - 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.evotingindia.com or write an e-mail to helpdesk.evoting@cdslindia.com
Alternatively, you can also contact on www.evotingindia.com for any queries or grievances connected with remote e-voting service.
- D. If you already registered with CDSL for e-Voting then you can use his/her 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. **September 09, 2016**.

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. **September 09, 2016**, may obtain the login ID and password by sending a request at www.evotingindia.com. If you are already registered with CDSL 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.evotingindia.com or write an e-mail to helpdesk.evoting@cdslindia.com
- 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.bajajhindustan.com and on the website of CDSL immediately after the declaration of results. The results shall also be immediately forwarded to BSE and NSE where the equity shares of the Company are listed.

STATEMENT IN RESPECT OF THE SPECIAL 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 11 of the accompanying Notice.

In respect of Item No. 4

As per the provisions of Section 149 of the Companies Act, 2013, every listed Company shall have at least 1/3rd of the total number of Directors as Independent Directors who shall not be liable to retire by rotation and who shall hold office for a term of five consecutive years. As per Schedule IV of the Companies Act 2013 the appointment of Independent director shall be approved at the meeting of the shareholders.

Mr. Vipulkumar Shirishkumar Modi, aged 49 years, is a LL.M. from Temple University, Philadelphia, U.S.A.. He is a Member of New York Bar and Advocate enrolled with the Bar Council of India. Mr. Modi is the Proprietor of Vipul Modi Associates established in 1995. He is a member of Indian Council of Arbitration, New Delhi since 2001 and also an Associate Editor of Law Herald, case law reporter sponsored by Bar Council of Gujarat, Ahmedabad. He worked with Bharat Diamond Corporation, New York, U.S.A and also was a part time Lecturer at M.N. Law College, Gujarat University, Ahmedabad.

Since the Chairman of the Company is executive, pursuant to the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015 atleast half of the Board shall be independent director. To meet the minimum number of independent director, Mr. Modi, appointed as an additional director of the Company w.e.f. 07th January 2016, had furnished declaration to the Company under Section 149(7) of the Act, confirming that he meet the criteria prescribed for Independent Director under Section 149(6) of the Act as well as SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has also received from the Independent Director (1) Consent to act as Director in DIR 2 pursuant to Rule 8 of Companies (Appointment and Qualification of Directors) Rules, 2014 and (2) Declaration of Non-Disqualification in DIR 8 pursuant to Section 164 of the Companies Act, 2013. In terms of Section 161(1) of the Companies Act, 2013 read with Article 94 of the Articles of Association of the Company, Mr. Modi holds office as Additional Director only up to the date of the forthcoming Annual General Meeting.

In the opinion of the Board, Mr. Modi is a person of integrity, possess the relevant expertise and experience, fulfill the conditions specified in the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is Independent of the management of the Company.

It is proposed to appoint Mr. Vipulkumar Shirishkumar Modi as Independent Director of the Company for a period of 5 years w.e.f. 07th January 2016 to 6th January 2021 as set out at Item No.4 of this Notice. 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 Mr. Vipulkumar Shirishkumar Modi as an Independent Director of the Company.

The other details of Mr. Vipulkumar Shirshkumar Modi in terms of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, is annexed to this Notice.

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.

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

In respect of Item No. 5 and 6

As per the Master Restructuring Agreement dated December 30, 2014 the Company received letters dated 26.08.2015 and 23.12.2015 from State Bank of India (SBI) and Punjab National Bank (PNB) for nomination of Mr. Ashok Mukand and Mr. Binod Kumar to represent SBI and PNB as Nominee Directors on the Board of the Company. Mr. Ashok Mukand and Mr. Binod Kumar were appointed as Additional Directors of the Company respectively by the Board of Directors with effect from September 14, 2015 January 07, 2016 respectively under Section 161 of the Companies Act, 2013 and Articles of Association of the Company. In terms of Section 161(1) of the Companies Act, 2013, Mr. Ashok Mukand and Mr. Binod Kumar holds office only up to the date of the forthcoming Annual General Meeting of the Company and are eligible for appointment as a Nominee Director of the Company.

Mr. Ashok Mukand has joined in SBI as Probationary Officer on 14.12.1970. Until his retirement on 31.05.2009, he had served SBI in various senior positions – like CGM, LHO Kolkata and DMD & CFO, Corporate Centre, Mumbai.

Mr. Binod Kumar graduated in Bachelor of Science and completed Diploma in Treasury, Investment & Risk Management and Diploma in Banking & Finance. He holds Degree of B.Sc (Hons.). Mr. Binod Kumar has joined in PNB had served PNB in various senior positions like Circle Head - , AGM – Circle Office at Noida, Circle Head – AGM-Circle Office at Jabalpur, AGM (Incumbent) MCB at Lucknow and Chief Manager-IRMD at HO, New Delhi and presently designated as AGM-Circle Head, NCR Noida Circle.

The other details of Mr. Ashok Mukand and Mr. Binod Kumar in terms of Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosures Requirements) Regulations, 2015, are annexed to this Notice.

The Company has received notices pursuant to Section 160 of the Companies Act, 2013 along with the amount of requisite deposit from two members signifying their intention to propose the appointment of Mr. Ashok Mukand and Mr. Binod Kumar as a Nominee Directors. Mr. Ashok Mukand and Mr. Binod Kumar have consented to continue as Nominee Directors of the Company, if appointed.

Copies of the notices received under Section 160 of the Companies Act, 2013 are 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. 5 and 6 of the Notice.

Mr. Ashok Mukand and Mr. Binod Kumar are interested in the Resolutions pertaining to their respective appointment at Item No.5 and 6 of the Notice. Save as aforesaid, none of the Directors of the Company and Key Managerial Personnel of the company and their relatives is concerned or interested, financially or otherwise, in any way, in the said resolution.

In respect of Item No.7

Mr. Kushagra Bajaj (DIN:00017575), presently aged 39 years, is one of the promoters of the Company. He graduated with a Bachelor's of Science degree in Economics, Political Philosophy and Finance from Carnegie Mellon University, Pittsburgh, USA. He received his Master of Science degree in Marketing from the Northwestern University, Chicago, USA. He was the Chief Executive of the Company from August 2001 to April 2007 and has been managing the affairs of the Company since then under the superintendence and control of Mr. Shishir Bajaj. He 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 and its subsidiaries. With effect from October 18, 2014 he was re-designated as the Chairman & Managing Director of the Company. He has over one decade of experience in sugar and FMCG industries. The performance of the Company has been commendable under the stewardship of Mr. Kushagra Bajaj. The present term of office of Mr. Kushagra Bajaj as the Managing Director of the Company will expire on April 23, 2017.

The Board of Directors, therefore, at its meeting held on May 30, 2016 has, pursuant to the approval of the Nomination and Remuneration Committee of the Board and subject to the approval of the Members and such other approval(s)/permission(s)/consent(s) as may be required, re-appointed Mr. Kushagra Bajaj as the Chairman and Managing Director of the Company for a further tenure of 5 (five) years from April 24, 2017 on terms and conditions set out in Resolution at Item No.7 of the Notice.

The Board has proposed to pay the remuneration as stated in the resolution at Item No. 7 of the Notice to him as the Minimum Remuneration, 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. Kushagra Bajaj, Chairman & Managing Director i.e. with effect from April 24, 2017, which may be in excess of the maximum remuneration payable to him in accordance with the provisions of the Companies Act, 2013 and therefore the approval of the Shareholders is required by way of passing Special Resolution.

Statement as required under Section II, part II of the Schedule V of the Companies Act, 2013 with reference to Resolution at the Item No. 7 is annexed hereto marked as **Annexure – A**.

Pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013, re-appointment of Mr. Kushagra Bajaj as the Chairman and 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.7 of the Notice.

A copy of the Resolution passed by the Board of Directors and the Nomination and Remuneration Committee at their respective meetings held on May 30, 2016 and written memorandum setting out the terms of appointments and remuneration as required under Section 190 of the Companies Act, 2013 are available for inspection by shareholders at the Registered Office of the Company during the office hours on any working days, except Saturdays between 11.00 A.M. and 1.00 P.M. up to September 16, 2016.

Mr. Kushagra Bajaj Chairman & Managing Director and his relatives may be deemed to be interested in the Resolution at Item No. 7 of the Notice. Save as aforesaid, none of the Directors of the Company and Key Managerial Personnel of the company and their relatives is concerned or interested, financially or otherwise, in any way, in the said resolution.

In respect of Item No.8

Mr. Ashok Kumar Gupta (DIN: 02608184) was appointed by Board of Directors on October 01, 2012 at such remuneration recommended by Nomination and Remuneration Committee and designated as Director (Group Operations) and his remuneration was approved by Shareholders on 14th February 2013. The shareholders on January 9, 2015 further approved payment of performance link incentive upto maximum 3 months basic salary to him as he is Non-promoter Executive Director effective from April 01, 2014.

Accordingly the details of remuneration for Mr. Ashok Kumar Gupta approved vide special resolution passed by the shareholders from time to time is given below:

Particulars	Mr. Ashok Kumar Gupta
Remuneration	
I. Salary:	₹ 2,45,509 per month in the scale of ₹ 1,50,000 – 6,00,000.
II. Perquisites and Allowances:	I. House Rent Allowance: House Rent Allowance at the rate of 20% of basic salary. II. Special Allowance: Special Allowance as per the rules of the Company, presently ₹ 2,25,748 per month. III. Leave Travel Allowance: Leave Travel Allowance in respect of himself and family not exceeding one month's salary per annum as per the rules of the Company. IV. Other Allowances: Allowances for Food Coupons, Children Education, etc. as per the rules of the Company. V. Medical Reimbursement: Reimbursement of actual medical expenses incurred as per the rules of the Company. VI. Other Perquisites: Subject to overall ceiling on remuneration mentioned herein below the Whole-time 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, wherever applicable and in absence of any such rule, perquisites shall be evaluated at actual cost.
III. Commission:	N.A.
IV. Performance Linked Incentive	Performance Linked incentive to the achievement of targets as per the rules of the Company subject to a maximum of 3 months basic salary per annum.
V. 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: Superannuation at the rate of 15% of the basic salary. III. Gratuity: Gratuity payable to the extent permitted under the Payment of Gratuity Act, 1972. IV. Leave: Leave with full pay or encashment thereof as per the Rules of the Company. V. Conveyance: Reimbursement of driver's salary, fuel expenses, car repairs and maintenance and car insurance renewal as per the rules of the Company. VI. Communication: Reimbursement of residential telephone expenses as per the rules of the Company. VII. Other Facilities: Reimbursement of uniform expenses and books and periodicals expenses as per the rules of the Company.
VI. Other terms and conditions	a. The Whole-time Director shall not be paid any sitting fees for attending the meetings of the Board of Directors or Committees thereof. b. The Whole-time 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. c. Mr. Ashok Kumar Gupta is appointed as Whole-time Director by virtue of his employment in this Company and his appointment is subject to the provision of Section 283(1)(l) of the Companies Act, 1956. d. If at any time Mr. Ashok Kumar Gupta ceases to be the Whole-time Director of the Company for any cause whatsoever, he shall cease to be the Director of the Company. e. One month notice or salary in lieu thereof from either side shall be applicable within one month from the date of close of crushing operation of season. After expiry of this period, two months notice or salary in lieu thereof from either side will be required.

Pursuant to the recommendation of Nomination & Remuneration Committee, the Board of Directors of the Company at its meeting held on May 30, 2016 approved the payment of remuneration with effect from April 01, 2017 up to the balance tenure of Mr. Ashok Kumar Gupta i.e. upto September 30, 2017.

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 or date of balance tenure (whichever is earlier) with effect from April 1, 2017, would be in excess of the maximum remuneration payable to them as whole time directors as may be permitted in accordance with the provisions of the Companies Act, 2013 and therefore will require approval of the Shareholders and also the Central Government. Statement as required under Section II, Part II of the Schedule V to the Companies Act, 2013 with reference to Resolution at the Item No. 8 is annexed hereto and marked as **Annexure – A**.

Pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 payment of remuneration (including as minimum remuneration) is subject to the approval of shareholders by way of Special Resolution and subject to approval of Central Government. The Board of Directors of the Company recommends passing of the Special Resolution as set out at Item No. 8 of the Notice.

A copy of the Resolution passed by the Board of Directors and the Nomination and Remuneration Committee at their respective meetings held on May 30, 2016 and written memorandum setting out the terms of appointments and remuneration as required under Section 190 of the Companies Act, 2013 are available for inspection by shareholders at the Registered Office of the Company during the office hours on any working days, except Saturdays between 11.00 A.M. and 1.00 P.M. up to September 16, 2016.

Mr. Ashok Kumar Gupta is interested in the resolution of his remuneration at Item No. 8 of the Notice. Save as aforesaid none of the Directors and Key Managerial Personnel of the Company, and their relatives, is in any way, concerned or interested in the said resolution.

In respect of Item No. 9

Mrs. Kiran Anuj, (DIN: 02606822) aged 58 years has been associated with the Group Company and she has more than 35 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 Board of Directors at its meeting held on May 30, 2016 on recommendation of Nomination and Remuneration Committee of the Directors has appointed Mrs. Kiran Anuj as Whole-time Director for a tenure of 5 (Five) years from June 01, 2016. The other terms and conditions of the aforesaid appointment are as under:

- a) The Whole-time Director shall not be paid any sitting fees for attending the meetings of the Board of Directors or Committees thereof.
- b) The Whole-time Director shall not, so long as she functions as such, become interested or otherwise concerned directly or through her husband and/or minor children in any selling agency of the Company in future without prior approval of the Central Government.
- c) Mrs. Kiran Anuj is appointed as Whole-time Director by virtue of her employment in this Group Company and her appointment is subject to the provision of 167 of the Companies Act, 2013.
- d) If at any time Mrs. Kiran Anuj ceases to be the Whole-time Director of the Company for any cause whatsoever, she shall cease to be the Director of the Company.
- e) One month notice or salary in lieu thereof from either side shall be applicable within one month from the date of close of crushing operation of season. After expiry of this period, two months notice or salary in lieu thereof from either side will be required.

The Board has proposed to pay the above remuneration to her 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 appointment of Mrs. Kiran Anuj, Director i.e. with effect from June 01, 2016 may be in excess of the maximum remuneration payable to her as may be permitted in accordance with the provisions of the Companies Act, 2013. Statement as required under Section II, Part II of the Schedule V of the Companies Act, 2013 with reference to Resolutions at the Item No. 9 is annexed hereto marked as **Annexure – A**.

Mrs. Kiran Anuj passed away on June 20, 2016. Pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, read with Schedule V to the Companies Act, 2013, appointment of Mrs. Kiran Anuj as the Whole-time Director of the Company and payment of remuneration (including as Minimum Remuneration for the period from June 01, 2016 to June 19, 2016) is subject to the approval of shareholders by way of special resolution passed at a general meeting of the Company.

A copy of the notice received under Section 160 of the Companies Act, 1956, the consent received from Mrs. Kiran Anuj, a copy each of the Resolution passed by the Board of Directors and Nomination and Remuneration Committee at the respective meetings held on May 30, 2016 are available for inspection by shareholders during business hours on all working days except Saturdays between 11.00 A.M. and 1.00 PM up to September 16, 2016 at the registered office of the Company.

The Board of Directors of the Company recommend passing of the Special Resolution at Item No. 9 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.

In respect of Item No.10

On recommendation of Audit Committee at its meeting held on May 30, 2016, 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, 2017 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 ₹ 3.73 lacs (Rupees Three lac seventy three 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. 10 of the Notice for ratification of the remuneration payable to the cost auditor for the financial year ending March 31, 2017.

The Board of Directors recommend passing of the Ordinary Resolution set out at Item No. 10 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. 10 of the Notice.

In respect of Item No. 11

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 83rd Annual General Meeting held on September 14, 2015 for an amount up to ₹ 3,000 crore, which for the purpose of raising funds through QIP issue is valid only up to September 13, 2016. 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. 11 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. 11 of the Notice.

All the Directors may be deemed to be interested in the Resolution at Item No. 11 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 12, 2016

Details of Directors seeking appointment/re-appointment at the 84th Annual General Meeting (in pursuance of Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015)

Name of the Director	Mr. Kushagra Bajaj	Mrs. Kiran Anuj*	Mr. Vipulkumar S. Modi	Mr. Ashok Mukand	Mr. Binod Kumar
Director Identification Number	00017575	02606822	06985276	01235804	07361689
Date of Birth	15.04.1951	04.05.1958	18.03.1967	21.05.1949	01.01.1971
Nationality	Indian	Indian	Indian	Indian	Indian
Date of appointment on the Board	24.04.2007	30.03.2015	07.01.2016	14.09.2015	07.01.2016
Relationship with other director	None	None	None	None	None
Qualifications	Bachelor of Science degree in Economics, Political Philosophy and Finance from Carnegie Mellon University, Pittsburgh, USA and has a Master of Science degree in Marketing from the Northwestern University, Chicago, USA.	B.A.Hons.	Bachelor of Law & Master of Law		B.Sc. Science, Diploma in Treasury, Investment & Risk Management, Diploma in Banking & Finance
Expertise in functional area	Expertise in Sugar and FMCG Industry	Public Relations and Liaisoning	Lawyer	Retired	Service
Number of shares held in the Company	12897036 Equity shares of ₹1/- each	Nil	Nil	Nil	Nil
List of Directorships held in other companies	Bajaj Corp Limited KNB Enterprises LLP	Bajaj Infrastructure Development Co. Ltd. Blue Mountain Impex Pvt. Ltd. Phenil Sugars Pvt. Ltd. Bajaj Aviation Pvt. Ltd. Lalitpur Power Generation Co. Ltd.	Nil	Nil	Uttam Sugar Mills Ltd.
Chairman/Member of the Committees of the Boards of other companies in which he/she is Director	Yes	Nil	Nil	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)					

* Since deceased

'ANNEXURE-A' REFERRED TO IN THE EXPLANATORY STATEMENTS TO RESOLUTIONS AT ITEM NO. 7 AND 9 OF THE NOTICE FOR 84TH ANNUAL GENERAL MEETING OF BAJAJ HINDUSTHAN SUGAR LIMITED

Statement as required under Section II, part II of the Schedule XIII of the Companies Act, 1956 with reference to the Resolutions at Item No. 7, 8 & 9 are as follows:

I. General Information:

- (1) Nature of industry: Manufacturing of Sugar, Industrial Alcohol and Co-generation of Power.
- (2) Date of expected date of commencement of commercial production: Existing Company already commenced commercial production since 1931.
- (3) In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Existing Company not applicable.
- (4) Financial performance based on given Indicators:

Sl. No.	Particulars	Audited figure for 12 month period ended 31.03.2016 (₹ in Crore)	Audited figure for 12 month period ended 31.03.2015 (₹ in Crore)	Audited figure for 18 month period ended 31.03.2014 (₹ in Crore)
1.	Revenue from operations	4683.23	4531.46	6644.25
2.	Other income	5.97	38.66	49.81
3.	Total Expenses	3878.63	4689.68	6721.83
4.	Finance Charges (net)	690.87	741.55	948.57
5.	Depreciation & Amortisation	223.98	239.94	531.72
6.	Profit /(Loss) before tax	(114.28)	(1097.22)	(1508.06)
7.	Provision for Tax Expenses	-	-	25.06
8.	Profit / (Loss) after tax	(114.28)	(1097.22)	(1533.12)

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

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

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

(1) Background details:

Mr. Kushagra Bajaj, an eminent Industrialist from Bajaj family, is actively looking after the affairs of the Company since 2001. Mr. Bajaj, aged 39 years, has been on the Board of the Company since April 24, 2007 as Joint Managing Director. He was re-designated as Vice Chairman & Joint Managing Director of the Company with effect from April 30, 2011. Mr. Kushagra Bajaj was elevated as Managing Director of the Company and designated as Chairman & Managing Director with effect from October 18, 2014.

(2) Past remuneration:

For the year ended March 31, 2016	₹ 1,77,36,303
For the year ended March 31, 2015	₹ 1,32,08,329
For the 18 months ended March 31, 2014	₹ 1,96,25,171

(3) Recognition of awards: Nil.

(4) Mr. Kushagra Bajaj, Chairman & Managing Director is responsible for overall operations of the Company. He has over one decade of experience in Sugar and FMCG industries, all of which have been with our Company and with the Group Companies of our Promoters. The performance of the Company has been commendable under the stewardship of Mr. Kushagra Bajaj.

(5) Remuneration proposed: As stated in Resolution at Item No.7, the approval of shareholders by a Special Resolution and Central Government is sought for payment of remuneration and for payment of Overall Minimum Remuneration in the event the Company has no profit or inadequate profit in any financial during a period of three years with effect from April 24, 2017.

(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. Kushagra 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 managerial personnel:

Mr. Kushagra 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 26.41% of the paid up capital of the Company. Other than these and remuneration paid to Mr. Kushagra Bajaj there is no other pecuniary relationship of Mr. Kushagra Bajaj, directly or indirectly with the Company or with its key managerial personnel.

B. Information about the appointee Mr. Ashok Kumar Gupta

(1) Background details:

Mr. Ashok Kumar Gupta aged 61 years, handles and supervises the overall production and other plant related activities of the Company. He has been associated with the Company for over three decades. Mr. Ashok Kumar Gupta was inducted on the Board of the Company as Director (Group Operations) for a period of 5 (five) years w.e.f. October 01, 2012. He has over 41 years of experience in Sugar Industries.

(2) Past remuneration:

For the year ended March 31, 2016	₹ 80,96,827
For the year ended March 31, 2015	₹ 79,85,164
For the 18 months ended March 31, 2014	₹ 1,22,88,840

(3) Recognition of awards:

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

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

(4) Job profile and suitability: Mr. Ashok Kumar Gupta, Director (Group Operations) is responsible for overall production and other plant related activities. He has over 41 years of experience in Sugar Industries. Mr. Ashok Kumar Gupta has been associated with the Company for over three decades.

(5) Remuneration proposed: As stated in Resolution at Item No. 8, the approval for shareholders by a Special Resolution is sought for payment of remuneration and also in case the Company has no profit or inadequate profit during the present tenure, the present remuneration be treated as minimum remuneration.

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

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

C. Information about the appointee Mrs. Kiran Anuj

(1) Background details:

Mrs. Kiran Anuj, aged 58 years, during her tenure handled and supervised the overall related activities of the Company. She had been associated with the Group Company for over three decades. Mrs. Kiran Anuj was inducted on the Board of the Company as a Non-Executive Director on March 30, 2015. She was elevated as Whole-term Director with effect from June 01, 2016.

(2) Past remuneration:

Mrs. Kiran Anuj was a Non-Executive Director on the Company's Board since March 30, 2015. She was getting only Sitting fees for attending the Board Meeting. Her remuneration/ sitting fees during the year ended March 31, 2016 was ₹ 1,60,000.

(3) Recognition of awards: Nil

(4) Job profile and suitability: Mrs. Kiran Anuj (Director) has been associated with the Group Company for over three decades.

(5) Remuneration proposed: As stated in Resolution at Item No.9, the approval for shareholders by a Special Resolution is sought for payment of remuneration and also in case the Company has no profit or inadequate profit during the present tenure, the present remuneration be treated as minimum remuneration.

(6) Comparative remuneration profile with respect to industry size of the Company, profile of the position and person (in expatriates, the relevant details would be w.r.t. the country of origin): The Remuneration as proposed of Mrs. Kiran Anuj 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: The remuneration paid to Mrs. Kiran Anuj, there is no other pecuniary relationship of Mrs. Kiran Anuj, directly or indirectly with the Company or with its managerial personnel. She does not hold any equity share in the Company.

III. Other information:

(1) Reasons for loss or inadequate profits:

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

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

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

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

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

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

The Company has taken certain initiatives towards operational efficiencies which have increased percentage of recovery and production of sugar. The average recovery of sugar from sugarcane increased to 10.32 % as against 9.38% in the previous year. The Company's initiatives towards better financial management also reduced the finance cost on Company's borrowings during the financial year.

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

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

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

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

In view of the improvement in recovery of sugar in state of U.P, improvement in domestic sugar prices coupled with various positive initiatives taken by the Government i.e. Incentive on exports of raw sugar, Mandatory export of Sugar, Cane subsidy, Fixation of the uniform delivered price for Ethanol, Increase in blending percentage of Ethanol from 5% to 10%, Waiver of central excise duty on ethanol supplies, the Company expects that the productivity and profitability shall improve and would be comparable with the industry average.

IV. Disclosures:

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

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

- i. All elements of remuneration package such as salary, benefits, stock options, pension etc. of all the directors;
- ii. Details of fixed component and performance linked Incentives along with the performance criteria;
- iii. Service contracts, notice period, severance fees;

The requisite details in respect of para 2(i) to 2(iii) in respect of all Directors (except three newly appointed Directors, appointed w.e.f. 14.09.2015 and 07.03.2016) are given in the Corporate Governance Report for the financial year ended March 31, 2016 attached to the 84th Annual Report.



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 84TH 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 84th Annual General Meeting of the Company on **Friday, September 16, 2016 at 11.00 a.m. at BHSL Conference Hall, Golagokarannath, Lakhimpur-Kheri, district Kheri, Uttar Pradesh 262 802.**

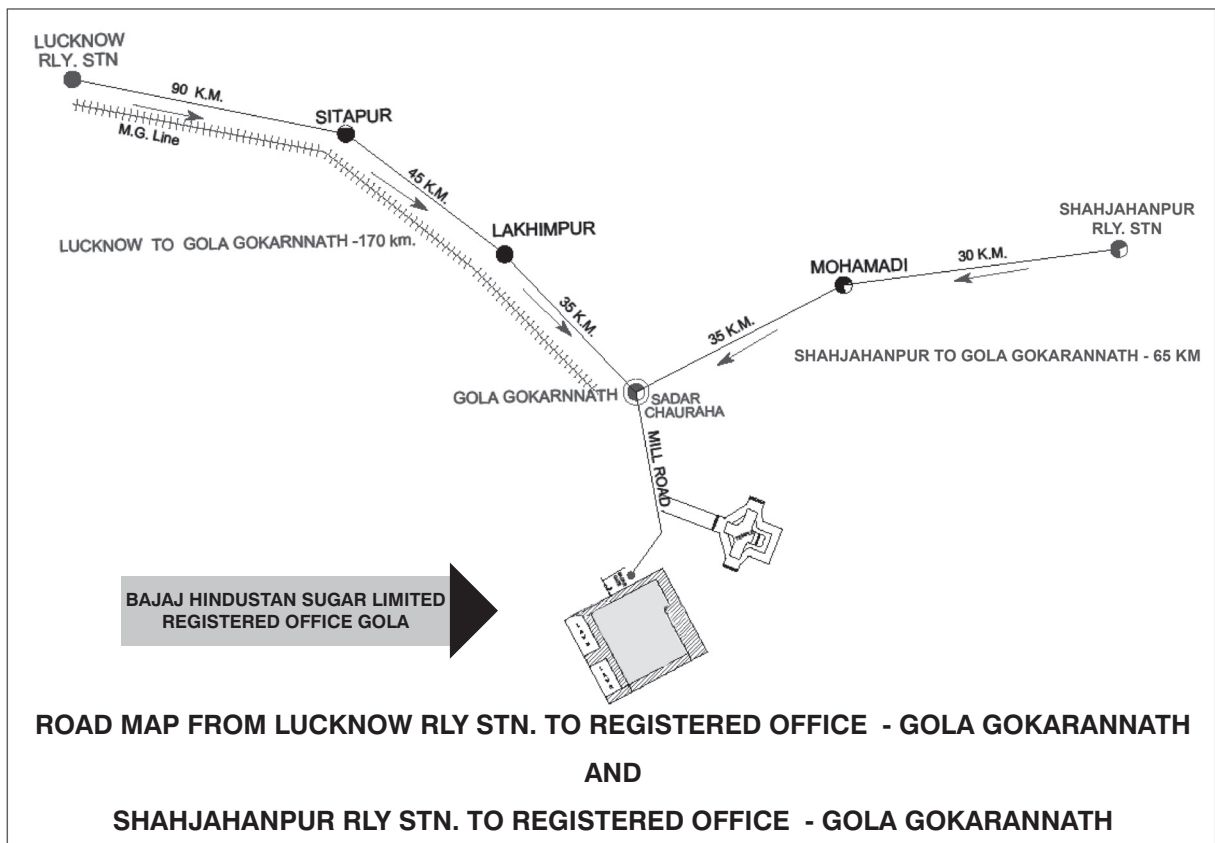
_____	_____	_____	_____
First/Sole holder/Proxy	Second holder/Proxy	Third holder / Proxy	Fourth holder / Proxy

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 84th AGM Notice.

REVS (Remote e-voting Sequence 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 submit their duly signed Attendance Slips and get their entry passes stamped.
3. Members should submit 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 84th Annual General Meeting of the Company, to be held on **Friday, September 16, 2016 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
Ordinary Business		
1. Adoption of financial statements for the year ended as at March 31, 2016 and the Reports of the Directors and Auditors thereon.	☐	☐
2. Re-appointment of Mr. Kushagra Bajaj (DIN No.00017575), as Director, who retires by rotation and being eligible offers himself for re-appointment.	☐	☐
3. Ratification of appointment of M/s. Chaturvedi & Shah, Chartered Accountants (Firm Registration No.101720W) as auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company and fix their remuneration.	☐	☐
Special Business		
4. Appointment of Mr. Vipulkumar Shirishkumar Modi (DIN: 06985276) as an Independent Director of the Company to hold office upto January 06, 2021.	☐	☐
5. Appointment of Mr. Ashok Mukand (DIN:01235804) as Nominee Director of the Company, not liable to retire by rotation.	☐	☐
6. Appointment of Mr. Binod Kumar (DIN:07361689) as Nominee Director of the Company, liable to retire by rotation.	☐	☐
7. Re-appointment of Mr. Kushagra Bajaj (DIN:00017575), as Chairman & Managing Director of the Company for a further period of Five (5) years w.e.f. April 24, 2017	☐	☐
8. Payment of minimum remuneration to Mr. Ashok Kumar Gupta (DIN:02608184), Director (Group Operations) as Overall and Minimum Remuneration during the period April 01, 2017 to September 30, 2017 (up to the date of remaining tenure of the present appointment)	☐	☐
9. Appointment of Mrs. Kiran Anuj (DIN:02606822) as whole-time director of the Company with designation as Director (Administration) for the period from June 01, 2016 to June 19, 2016.	☐	☐
10. Ratification of the remuneration payable to cost auditors for the year 2016-2017.	☐	☐
11. Further issue of share capital pursuant to Section 62(1)(c) of the Companies Act, 2013 by way of QIPs/GDRs/FCCBs, etc.	☐	☐

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 2016.

Signature of the proxy holder(s) _____

Affix 15 Paise Revenue Stamp

Notes:

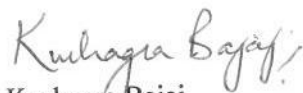
- *1. Please put a "X" in the Box in the appropriate column against the respective resolutions. If you leave the "For" or Against column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
2. This form of proxy in order to be effective, 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 84th Annual General Meeting.

May 30, 2016

Declaration with regard to Audited Financial Results

In compliance of SEBI (Listing Obligation and Disclosure Requirements)(Amendments) Regulations, 2016 this is to declare that with regard to the Annual Standalone Audited Financial Results of the Company for the Financial Year ended March 31, 2016, adopted by the Board of Directors of the Company at their meeting held on May 30, 2016, the Statutory Auditors Report, on the same, is unmodified.

For Bajaj Hindusthan Sugar Limited



Kushagra Bajaj
Chairman & Managing Director

For Bajaj Hindusthan Sugar Limited



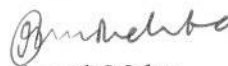
R. V. Ruia
Chairman of Audit Committee

For Bajaj Hindusthan Sugar Limited



Ved Prakash Agrawal
Chief Financial Officer

For Chaturvedi & Shah
Chartered Accountants
(Registration No.101720W)



Jignesh Mehta
Partner
Membership No.102749

May 30, 2016

Declaration with regard to Audited Financial Results

In compliance of SEBI (Listing Obligation and Disclosure Requirements)(Amendments) Regulations, 2016 this is to declare that with regard to the Annual Consolidated Audited Financial Results of the Company for the Financial Year ended March 31, 2016, adopted by the Board of Directors of the Company at their meeting held on May 30, 2016, the Statutory Auditors Report, on the same, is unmodified.

For Bajaj Hindusthan Sugar Limited


Kushagra Bajaj
Chairman & Managing Director

For Bajaj Hindusthan Sugar Limited


R. V. Ruia
Chairman of Audit Committee

For Bajaj Hindusthan Sugar Limited


Ved Prakash Agrawal
Chief Financial Officer

For Chaturvedi & Shah
Chartered Accountants
(Registration No.101720W)


Jignesh Mehta
Partner
Membership No.102749

As we step
towards the future,
we give back
to all that got us here.





GLIMPSES OF CSR PROGRAMME

- ▶ 1000 Villages Covered
- ▶ 1,58,964 Families Benefited
- ▶ 8,05,235 Population Covered

VILLAGE INSTITUTIONS

- 3151 Village Institutions established (899)
-

WATER RESOURCE DEVELOPMENT AND SOIL CONSERVATION

- 135 rivers/streams of 207 km area rejuvenated (40)
 - 2880 check dams/farm pond/percolation tank constructed (351)
 - 1941 wells recharged (207)
 - 226 group wells constructed (20)
 - 1420 lift irrigation devices installed (64)
 - 25 percolation tanks constructed (4)
 - 3275 drip and sprinkler irrigation system installed (749)
 - 1811 boribundh are installed (280)
 - 1267 acres of farm bunds formed
 - 2225 gabion structures formed (525)
 - 726 roof rainwater harvesting structures constructed (100)
 - 952 acres uncultivable land developed through land levelling (175)
 - 2516 acres micro irrigation systems established (355)
-

PROMOTION OF SUSTAINABLE AGRICULTURE

- 11153 families covered under Convergence of Agricultural Interventions in Maharashtra's project (2656)
- 11000 families adopted Better Cotton Initiative programme
- 5920 families benefited under WADI project (675)

- 2763 farmers adopted under natural farming (1140)
 - 4547 acre horticulture plantation (1100)
 - 4353 families adopted kitchen gardening (1511)
 - 1907 acre under vegetables /cash crops / floriculture (150)
 - 4206 families adopted natural farming (1450)
 - 6082 acre crop demonstrations of new and high yielding varieties (0)
 - 335 Azolla units established (50)
 - 223 Farmer clubs formed (80)
 - 144 Onion storage Units installed (0)
 - 138 Grameen Fridge constructed (50)
 - 3 Poly Green Net Shed set up (0)
 - 256 Cattle feeding cum Drinking water systems constructed (75)
 - 342 Power operated Chaff Cutter installed (100)
 - 6 Honey Bee Keeping Unit set up (0)
 - 6 Agro-product processing units established (0)
-

WOMEN EMPOWERMENT

- 2654 Self Help Groups formed (465)
- 36150 families benefited (6064)
- Saving of ₹ 3.21 crore (0.98 crore)
- 5874 families benefited under Rural Enterprise (746)
- 3910 families benefited under Indigenous Cow (212)



PROMOTION OF NON CONVENTIONAL ENERGY SOURCE

- 3605 Biogas Plants constructed (782)
 - 167 Domestic Solar Light units installed (0)
-

SKILL TRAINING AND CAPACITY BUILDING PROGRAMME

- 1717 Training and Capacity Building Programme conducted (246)
-

PROMOTION OF INDIGENOUS COWS

- 3969 families adopted Indigenous Cows (510)

OUR PARTNERS

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



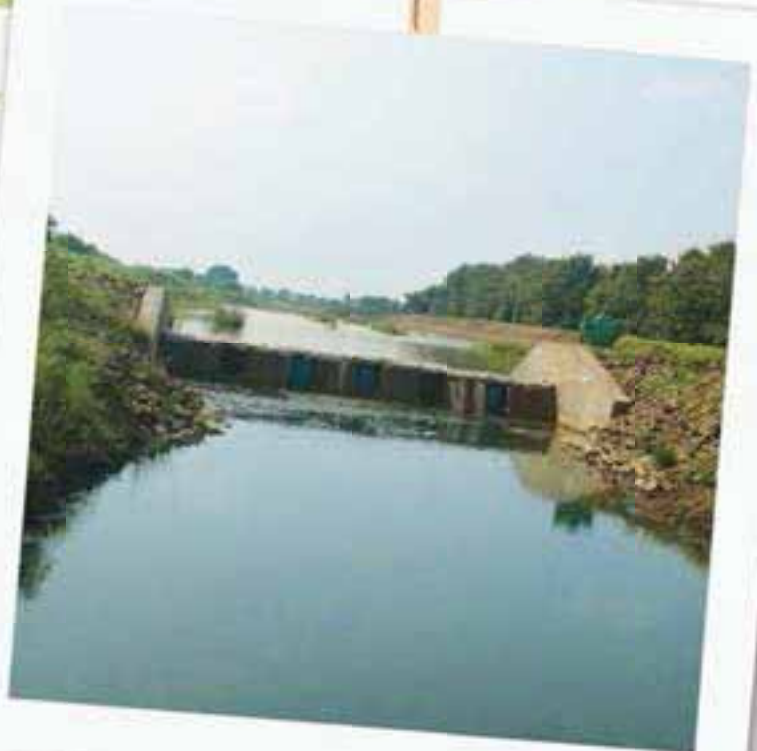


The water scarcity problem in the village realised by the students and collected contribution for construction of check dam in village Salai (K) under Design for Change Programme.



Raju Latare, a farmer from village Antargaon became a resource farmer and guided many farmers as a torch bearer.

Construction of check dam not only increases the groundwater table but also serves as the source of irrigation for the resource poor farmers.





Small Producers Agri Resource Center (SPARC) serves as agri implement bank for the small and marginal farmers in village Akoli.



Construction of Bio-Gas not only saves the women from drudgery involved in cooking as well as collecting the fuelwood but also helps them in maintaining a clean environment.



Change in the cropping pattern and mixed cropping gave the confidence to farmers to mitigate the vagaries of nature and assured them an income in case the other failed.



Self Help Group women initiated income generation activities like making incense stick to support their families.



Religious Activity:
Construction of temple in
Village Buragoan.



Solar Energy Promotion:
Installation of solar street light in Village Buragoan.



Community Mobilisation:
Dr. A.V. Singh had conducted
community meeting for
participation in CSR activities in
Village Surikalan.



Dear Shareholders,

Since the latter half of the last financial year, the sugar industry has seen a healthy upswing globally. Sugar prices for the first time has crossed US 20 cents to a pound since October 2012. This is a long way forward from 15 cents to a pound witnessed at the beginning of the year. There has been a contraction in global production of sugar and a weak harvest in Brazil. In contrast, there has been a definitive rise in consumption of sugar in India and China. Based on this, the price surge is expected to remain till next year. In this backdrop, where till now the global sugar industry was in a very slack condition in the past three to four years is now looking forward to an improved realisation in the immediate future. It is our firm belief, based on the healthy rise of global prices, the sugar industry would witness a revival that in a very positive manner would create opportunities for the domestic sugar industry as well.

Back home in the domestic market, the sugar industry has also witnessed a very encouraging environment with improvement in cash flow. Being the second largest agro-based industry in India and over 500 million people dependent directly or indirectly, the improvement in its health would have very positive collateral benefits for the Indian economy as a whole.

The domestic sugar industry's production and sales volumes (including exports) during sugar year 2015-16, i.e. October 2015 to September 2016 is likely to be around 25 million MT and 27 million MT, respectively leading to inventory reduction of about 2 million MT. This demand supply gap would help reduce the surplus carry-over sugar inventory which in turn will help sustain the improved realisations from sugar sales.

With a healthy and more stable foundation of the twin benefits of higher recoveries and better realisations, the industry to address the three main focus areas. First would be to reduce the industry debt estimated to be over ₹ 51,000 crore accumulated in the last five years. As per industry body

ISMA, it is expected that the sugar industry may reduce its debt by ₹ 10,000 to 15,000 crore over the next twelve months. Second, the role of our sugarcane farmers in sustaining the health of the industry is an imperative necessity. Given the optimistic environment wherein 92 percent dues till June 2016 have already been paid to the sugarcane farmers by the mills. As a result, sugarcane arrears have nosedived from ₹ 21,800 crore last year to ₹ 4,230 crore at present (till June 2016). Third, there has been a dire need for plant modernisation in many mills, the added topline would help boost meet the capital expenditure requirement to address this priority need.

The export incentives provided last year saw a spurt in sugar exports. However, with domestic prices increasing fast, there was a sluggish interest for exports and a further export duty imposed recently has made exports almost non-viable. Analysts believe there should not be any remarkable change in domestic prices of sugar and though government estimates a fall in sugar production for 2016-17, there would be enough inventories due to carry-over stock that would prevent any unforeseen spike in domestic sugar prices.

Maintaining profitability of the sugar industry is extremely essential for survival of more than 50 million farmers and their families across all states of the country and around 2 million employees/workers and their families directly or indirectly dependent on the sugar industry. Profitability of the sugar industry is equally important to repay the bank loans without which payment to lenders and also others dependent on sugar industry will be impacted.

At this juncture, as a leader in the sugar industry, we would also wish to highlight the importance of a complete implementation of the Rangarajan Committee proposals, which the government needs to execute. The industry has welcomed them earlier and given the favourable situation today, this could be an opportunity to bring in the much-needed reforms. We would continue to support and push for any positive policies aimed for the overall industry and reforms that are best suited when the financial viability is improving, especially in the short to medium term.

Your Company, with its dedicated family of employees has consistently focussed on excellent corporate practices. As a market leader, we continue to share the same responsibilities in playing an important role in India's growth story. A reflection of our firm intent is expressed through the Company's increase in production and sales of sugar in the period 2015-16. During the year ended March 31, 2016, your Company crushed 10.922 MMT of sugarcane. The average recovery of sugar from sugarcane was higher at 10.32 percent as against 9.38 percent in the previous year. During this period, your Company produced 11,36,070 MT of sugar and 5,33,219 MT of molasses. Further, the Company sold 12,96,466 MT of sugar and 1,17,968 MT of molasses as against 12,39,186 MT of sugar and 33,684 MT of molasses during the previous year.

As always, your support has been overwhelming in seeing us through the downturn in the recent past. We believe the present upsurge in the sugar industry would enable us to focus on improving production and better financial management that would supplement us in maintaining our leadership role as an important player in the sugar industry in India.

Warm regards,

Kushagra Bajaj
Chairman & Managing Director

5 YEARS PERFORMANCE TRENDS : 2011-2016

₹ Crore

BALANCE SHEET	31.03.2016	31.03.2015	31.03.2014	30.09.2012*	30.09.2011
EQUITY AND LIABILITIES					
Shareholders' funds					
Share capital	111.68	81.02	63.94	63.94	22.84
Reserves and surplus	2,247.56	1,725.75	2,495.30	4,030.34	3,117.07
Sub total	2,359.24	1,806.77	2,559.24	4,094.28	3,139.91
Non-current liabilities					
Long-term borrowings	6,345.98	7,111.34	2,509.57	1,500.69	2,239.74
Other long-term liabilities	-	-	179.40	-	-
Deferred tax liabilities (net)	-	-	-	-	87.74
Long-term provisions	29.02	26.58	41.36	31.84	26.86
Sub total	6,375.00	7,137.92	2,730.33	1,532.53	2,354.34
Current liabilities					
Short-term borrowings	36.45	146.21	3,076.14	3,286.30	1,424.33
Trade payables - micro and small enterprises	0.77	-	-	-	-
Trade payables - others	2,194.95	2,789.84	2,815.92	236.40	284.82
Other current liabilities	766.17	102.04	1,245.84	1,018.66	2,554.99
Short-term provisions	120.64	93.79	100.94	29.13	34.74
Sub total	3,118.98	3,131.88	7,238.84	4,570.49	4,298.88
Total	11,853.22	12,076.57	12,528.41	10,197.30	9,793.13
ASSETS					
Non-current assets					
Fixed assets					
Tangible assets	4,669.26	4,889.82	4,986.71	5,419.50	5,389.12
Intangible assets	-	-	0.13	0.35	0.52
Capital work-in-progress	18.74	8.26	8.14	7.40	24.29
Non-current investments	2,281.71	2,281.71	2,431.05	1,600.36	1,343.79
Long-term loans and advances	40.64	48.08	60.57	92.11	74.87
Other non-current assets	3.83	3.66	1.40	1.68	1.32
Sub total	7,014.18	7,231.53	7,488.00	7,121.40	6,833.91
Current assets					
Current investments	-	-	-	-	0.05
Inventories	1,924.12	2,179.29	2,673.50	558.24	467.82
Trade receivables	308.72	168.99	225.48	192.02	248.20
Cash and bank balances	117.09	88.07	128.24	180.30	583.77
Short-term loans and advances	1,913.61	1,773.83	1,491.11	1,735.82	1,227.26
Other current assets	575.50	634.86	522.08	409.52	432.12
Sub total	4,839.04	4,845.04	5,040.41	3,075.90	2,959.22
Total	11,853.22	12,076.57	12,528.41	10,197.30	9,793.13

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

₹ Crore

NET INCOME STATEMENT year/period ended	31.03.2016	31.03.2015	31.03.2014 *	30.09.2012**	30.09.2011
INCOME					
Revenue from operations	4,683.23	4,531.46	6,644.25	4,262.63	4,903.80
Other income	5.97	38.66	49.81	106.15	15.35
Total	4,689.20	4,570.12	6,694.06	4,368.78	4,919.15
EXPENSES					
Purchases and materials consumed	3,127.29	3,704.54	7,815.33	3,366.01	2,739.38
Manufacturing & other expenses	510.43	552.39	982.38	496.83	425.50
Changes in inventories of finished goods and work-in-progress	250.91	432.75	(2,075.88)	(57.97)	888.47
Total	3,888.63	4,689.68	6,721.83	3,804.87	4,053.35
Profit / (Loss) before Depreciation, Interest & Tax (PBDIT)	800.57	(119.56)	(27.77)	563.91	865.80
Finance cost (net)	690.87	741.55	948.57	536.41	515.95
Depreciation and amortisation expense	223.98	239.94	531.72	348.82	330.91
	914.85	981.49	1,480.29	885.23	846.86
Profit / (Loss) before exceptional items and tax	(114.28)	(1,101.05)	(1,508.06)	(321.32)	18.94
Exceptional items	-	(3.83)	-	-	-
Profit / (Loss) before tax (PBT)	(114.28)	(1,097.22)	(1,508.06)	(321.32)	18.94
Tax expenses	-	-	25.06	(86.75)	6.94
Profit / (Loss) after tax (PAT)	(114.28)	(1,097.22)	(1,533.12)	(234.57)	12.00
Dividend (%)	-	-	-	10%	40%

* 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 include the effect of amalgamation of Bajaj Eco-Tec Products Ltd. (as per scheme) w.e.f. 01.04.2012.

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)

Vipulkumar S. Modi

Non-Executive Director (Independent)
(w.e.f. 07-01-2016)

Ashok Mukand

Nominee Director (SBI)
(w.e.f. 14-09-2015)

Binod Kumar

Nominee Director (PNB)
(w.e.f. 07-01-2016)

Ashok Kumar Gupta

Director (Group Operations)

Kiran Anuj

Director (Administration) (up to 19-06-2016)

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

CIN: L15420UP1931PLC065243

Registrar & Transfer Agent

Link Intime India Private Limited

C-13 Pannalal Silk Mills Compound

L.B.S. Marg, Bhandup West

Mumbai - 400 078

Tel.: +91-22-2596 3838

Fax: +91-22-2594 6969

E-mail: rnt.helpdesk@linkintime.co.in

Contents

Directors' Report	14
Corporate Governance Report	40
Shareholder Information	52
Auditors' Certificate on Corporate Governance	59
Management Discussion and Analysis Report	60
CEO/CFO Certification	74
Independent Auditors' Report	75
Balance Sheet and Statement of Profit and Loss	80
Cash Flow Statement	82
Notes forming part of Financial Statements	83
Auditors' Report on Consolidated Financial Statements	104
Consolidated Balance Sheet and Statement of Profit and Loss	108
Consolidated Cash Flow Statement	110
Notes forming part of the Consolidated Financial Statements	111

Directors' Report

Your Directors have pleasure in presenting their Eighty Fourth annual report and the audited financial statements for the year ended March 31, 2016.

Financial highlights

The summarised financial results of the Company for the year ended March 31, 2016 are presented below:

	Year ended March 31, 2016	Year ended March 31, 2015
Sales and other income	4,689.20	4,570.12
Profit/(Loss) before depreciation, interest and tax	800.57	(115.73)
Depreciation and amortisation	223.98	239.94
Profit/(Loss) after depreciation but before interest and tax	576.59	(355.67)
Finance costs (Net)	690.87	741.55
Profit/(Loss) before tax	(114.28)	(1,097.22)
Provision for taxation (Net)	-	-
Profit/(Loss) after tax	(114.28)	(1,097.22)
Opening balance b/f	(2,645.97)	(1,533.31)
Disposable surplus after adjustments	(2,760.25)	(2,630.53)
Transfer to reserve for molasses storage tank	0.31	0.28
Carrying value of fixed assets adjusted	-	15.16
Balance carried to balance sheet	(2,760.56)	(2,645.97)

On a standalone basis, the Company achieved a turnover (including other income) of ₹ 4,689.20 crore for the year ended March 31, 2016 as compared to ₹ 4,570.12 crore in the previous year. The loss after tax is ₹ 114.28 crore as compared to the loss of ₹ 1,097.22 crore in the previous year. On a consolidated basis, the turnover including other income is ₹ 4,696.57 crore as compared to ₹ 4,574.05 crore in the previous year. The loss after tax and minority interest is ₹ 206.59 crore as against loss of ₹ 1,192.45 crore in the previous year.

Dividend

In view of loss incurred during the year under review, your Directors do not recommend any dividend for the current Financial Year. (Previous year - 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, 2016, the Company crushed 10.922 MMT of sugarcane. The average recovery of sugar from sugarcane was at 10.32% as against 9.38% in the previous year. During the year, the Company produced 11,36,070 MT sugar and 5,33,219 MT molasses.

During the year, the Company sold 12,96,466 MT of sugar and 1,17,968 MT of molasses as against 12,39,186 MT of sugar and 33,684 MT of molasses during the previous year.

Distillery

During the year, Industrial Alcohol / Ethanol production was 1,25,310 KL as against 1,25,463 KL in the previous year. Alcohol / Ethanol sale during the year was at 1,42,846 KL as against 1,09,389 KL during the previous year.

Power

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

During the year, Power generation was at 6,86,685 MW as against 7,78,057 MW in the previous year. The Company exported 2,66,106 MW of power during the year as against 3,29,277 MW during the previous year.

Bagasse boards

During the year, operations were kept suspended due to inadequate availability of raw material and inadequate demand of finished product in market.

Debt restructuring

In accordance with the Master Restructuring Agreement (MRA) signed on December 30, 2014 among the Company and JLF lenders, the Company has completed the following major activities:

- Completed the security creation formalities in respect of all current assets and all movable and immovable fixed assets of the Company and personal/corporate guarantee from promoter/promoter group.
- During the year the promoters have infused balance ₹ 25 crore out of the total commitment of ₹ 200 crore as Promoters contribution by way of unsecured loan to the Company as per the MRA.
- Funded Interest Term Loan (FITL) aggregating to ₹ 667.42 crore have been converted during the financial year and ₹ 36.45 crore have been converted on April 06, 2016 into the equity shares of the Company and accordingly entire 70% of the FITL facility has been converted into equity shares of the Company as per the MRA.

Changes in capital structure

During the year, 30,65,76,597 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 ₹ 6,67,41,72,517 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 ₹ 81,02,41,177 divided into 81,02,41,177 equity shares of face value ₹ 1/- each to ₹ 1,11,68,17,774 divided into 1,11,68,17,774 equity shares of face value ₹ 1/- each, resulting into shareholding of promoters as on March 31, 2016 at 26.41% as compared to 36.40% as on March 31, 2015.

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.

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, 2016, 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%).

Performance and financial positions of subsidiaries and associates

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

- b) Bajaj Power Generation Private Limited: 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 Mirchwarra, 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.
- c) 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.
- d) PT. Jangkar Prima (PTJP), Indonesia and PT Batu Bumi Persada (PTBBP), Indonesia: PTJP and PTBBP are engaged in the business of Mining and Mining services including consulting, planning, implementation and testing of equipment in the field of construction of mining. These subsidiaries are in process of development of a Coal mine and received various clearances in this regard except for the forestry clearance and the clearance for the jetty site for which necessary efforts to expedite the matter with concerned authorities are being made. Operation of coal mine is expected to start in next one year.
- e) Bajaj Ebiz Private Limited: Bajaj Ebiz did not carry out any business during the year.

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

Consolidated financial statements

In compliance with Section 129(3) of the Companies Act, 2013 and Rules made thereunder, Accounting Standards 21, 23 and 27 of Companies (Accounting Standards) Rules, 2006, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Consolidated Financial Statements form part of this Annual Report. Consolidated Financial Statements presented by your Company include financial information about its aforesaid subsidiaries and associates. The standalone financial statements of BHSL as well as its aforesaid subsidiaries and its associates will be available on the website of the Company (www.bajajhindusthan.com).

Directors and Key Managerial Personnel

Retirement by rotation

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

Appointment of Directors

Mr. Ashok Mukand and Mr. Binod Kumar were appointed as Additional Directors with effect from September 14, 2015 and January 07, 2016 respectively in accordance with the terms of the Master Restructuring Agreement. Mr. Vipulkumar S. Modi was appointed as an Additional Director with effect from January 07, 2016 in accordance with Section 149 of the Companies Act, 2013 and Regulation 17 of the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015. Mr. Vipulkumar S Modi has submitted the declaration of Independence pursuant to Section 149(7) of the Companies Act, 2013, stating that he meets the criteria of Independence as provided in sub section (6) of Section 149.

In terms of the provisions of the Companies Act, 2013 and Articles of Association of the Company Mr. Ashok Mukand, Mr. Binod Kumar and Mr. Vipulkumar S. Modi would hold office as Additional Directors only up to the date of the 84th Annual General Meeting of the Company. The Company has received notices from members pursuant to Section 160 of the Companies Act, 2013, proposing the appointment of Mr. Ashok Mukand, Mr. Binod Kumar and Mr. Vipulkumar S. Modi as Directors of the Company. The Board of Directors recommends the appointment of Mr. Ashok Mukand, Mr. Binod Kumar and Mr. Vipulkumar S. Modi as Directors of the Company. The profile of the Directors forms part of the Corporate Governance Report.

Board evaluation

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

Induction and training of Board members

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

Directors' responsibility statement

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

- (i) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of loss of the Company for that year;
- (iii) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) the Directors had prepared the annual accounts on a going concern basis;
- (v) the Directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (vi) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Auditors and auditors' report

Auditors and their report

M/s. Chaturvedi & Shah, Chartered Accountants (Firm Registration No.101720W) were appointed for five consecutive years from the conclusion of the 83rd Annual General Meeting till conclusion of 88th Annual General Meeting. The said appointment is required to be ratified by the members at the ensuing 84th Annual General Meeting.

The Statutory Auditors have confirmed their eligibility pursuant to Section 139 of the Companies Act, 2013.

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 note no. 41 is 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 Section 148 of the 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 for its products i.e. Sugar, Industrial Alcohol and Electricity as per the following details:

Sr. No.	Product	Report submitted with Central Government	Financial year ended	Date of filing
1.	Sugar	Cost Audit Report	31.03.2015	30.09.2015
2.	Industrial Alcohol	Cost Audit Report	31.03.2015	30.09.2015
3.	Electricity	Cost Audit Report	31.03.2015	30.09.2015

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 I" 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 II" 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 / Regulation 18 of Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015. Composition of Audit Committee is given in Corporate Governance Report. There is no such instance during the year under review where the Board had not accepted any recommendation of 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 III" 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 IV" 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 V" and forms part of this report.

Policies

Policy for determining material subsidiary

During the year ended March 31, 2016, the Company does not have any material listed/unlisted subsidiary companies as defined in Regulation 16 (c) of Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has framed a policy for determining "material subsidiary" and the same is available on the Company's website at www.bajajhindusthan.com/investorcorner-policies.php

Policy on remuneration and other aspects of directors and KMP

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

Vigil mechanism/Whistle blower policy

The Company has formulated a Vigil Mechanism/Whistle Blower Policy in accordance with Section 177(9) of the Companies Act, 2013 and Clause 49 of the Listing Agreement/Regulation 4 (d) (iv) of Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015. The details of the Vigil Mechanism/Whistle Blower Policy are provided in the Corporate Governance Report and also posted on the website of the Company at www.bajajhindusthan.com/investorcorner-policies.php

Risk management 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

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 V" and on the Company's website at www.bajajhindusthan.com/investorcorner-policies.php

Anti sexual harassment policy

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

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

Number of Complaints received: Nil

Number of Complaints disposed of: Nil

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 VI" 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 the 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 VII" 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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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
May 30, 2016

Changes after the date of Directors' Report

Director

Mrs. Kiran Anuj, Whole-time Director of the Company passed away on June 20, 2016. The Company expresses its profound sorrow at the sad demise of Mrs. Kiran Anuj and records its appreciation for the valuable contribution made by her during the tenure of her office.

Consequent to the above, candidature of her appointment as Whole-time Director and payment of remuneration (including minimum remuneration) in the ensuing 84th Annual General Meeting has been limited for the period from June 01, 2016 to June 19, 2016 instead of 5 years.

For and on behalf of the Board of Directors

Kushagra Bajaj
Chairman & Managing Director

(DIN: 00017575)

Mumbai
July 12, 2016

ANNEXURE I

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2016

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

To

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

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, 2016 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, 2016 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, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; 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:

- (1) Sugar Cess Act, 1982
- (2) Levy Sugar Price Equalisation Fund Act, 1976
- (3) Food Safety and Standards Act, 2006
- (4) Essential Commodities Act, 1955
- (5) Sugar Development Fund Act, 1982
- (6) Export (Quality Control and Inspection) Act, 1963
- (7) Agricultural and Processed Food Products Export Act, 1986
- (8) U.P. Sugarcane (Regulation of Supply and Purchase) Act, 1953

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

- (i) Secretarial Standards I and II 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) and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).

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

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors 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.

FOR ANANT B KHAMANKAR & CO.

ANANT KHAMANKAR

FCS No. - 3198

CP No. - 1860

Place : Mumbai

Date : May 30, 2016

ANNEXURE II

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.	34.24	Interest @ 12% p.a., unsecured, repayable on demand	For business purposes - to meet operational expenses
11	Loans given	Bajaj Hindusthan (Singapore) Private Ltd.	11.79	Interest @ 0%, unsecured, repayable on demand	For business purposes - general corporate purposes
12	Loans given	Bajaj Power Generation Private Ltd.	1,267.18	Interest @ 12%, unsecured, repayable on demand	For business purposes - general corporate purposes
13	Loans given	Ojas Industries Private Ltd.	397.63	Interest @ 12% p.a., unsecured, repayable on demand	For business purposes - general corporate purposes
14	Securities given	Lalitpur Power Generation Company Ltd.	770.13	Pledge of shares	As collateral security with the trustees of consortium of lenders, facilities obtained by LPGCL

For and on behalf of the Board of Directors

Kushagra Bajaj
Chairman & Managing Director
(DIN: 00017575)

Mumbai
May 30, 2016

ANNEXURE III

FORM AOC 2

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

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

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

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

1.	(a)	Name(s) of the related party and nature of relationship	Shishir Bajaj Family Trust – Body corporate whose Board of Trustees is accustomed to act in accordance with the advice, directions or instructions of a Director
	(b)	Nature of contracts/arrangements/transactions	Rent paid
	(c)	Duration of the contracts/arrangements/ transactions	Leave & Licence agreement for office, record room and parking for a period of 5 years w.e.f. February 15, 2014
	(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	₹ 2.05 crore
	(e)	Date(s) of approval by the Board, if any	14.02.2014
	(f)	Amount paid as advances, if any	-
2.	(a)	Name(s) of the related party and nature of relationship	Bajaj Aviation Pvt. Ltd. - Subsidiary
	(b)	Nature of contracts/arrangements/transactions	Lease rent received
	(c)	Duration of the contracts/arrangements/ transactions	Aircraft booking agreement
	(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	₹ 7.56 crore
	(e)	Date(s) of approval by the Board, if any	12.04.2013
	(f)	Amount paid as advances, if any	-
3.	(a)	Name(s) of the related party and nature of relationship	Mr. Pradeep Parakh – Key Managerial Personnel
	(b)	Nature of contracts/arrangements/transactions	Remuneration
	(c)	Duration of the contracts/arrangements/ transactions	01.04.2015 to 31.03.2016
	(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	₹ 2.09 crore
	(e)	Date(s) of approval by the Board, if any	16.05.2014
	(f)	Amount paid as advances, if any	-

4.	(a)	Name(s) of the related party and nature of relationship	Mr. Ved Prakash Agrawal – (Key Managerial Personnel)
	(b)	Nature of contracts/arrangements/transactions	Remuneration
	(c)	Duration of the contracts/arrangements/transactions	01.04.2015 to 31.03.2016
	(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	₹ 0.42 crore
	(e)	Date(s) of approval by the Board, if any	18.10.2014
	(f)	Amount paid as advances, if any	-
5.	(a)	Name(s) of the related party and nature of relationship	Bajaj Energy Limited
	(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	₹ 0.71 crore
	(e)	Date(s) of approval by the Board, if any	11.08.2010
	(f)	Amount paid as advances, if any	-
6.	(a)	Name(s) of the related party and nature of relationship	Bajaj Energy Limited
	(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	₹ 2.29 crore
	(e)	Date(s) of approval by the Board, if any	28.05.2015
	(f)	Amount paid as advances, if any	-
7.	(a)	Name(s) of the related party and nature of relationship	Lalitpur Power Generation Company Ltd.
	(b)	Nature of contracts/arrangements/transactions	Sale of Fixed Asset / Goods
	(c)	Duration of the contracts/arrangements/transactions	N.A.
	(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	₹ 0.00 crore (₹ 62,346/-)
	(e)	Date(s) of approval by the Board, if any	12.11.2014
	(f)	Amount paid as advances, if any	-
8.	(a)	Name(s) of the related party and nature of relationship	Lalitpur Power Generation Company Ltd.
	(b)	Nature of contracts/arrangements/transactions	Lease rent received
	(c)	Duration of the contracts/arrangements/transactions	N.A.
	(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	₹ 0.05 crore
	(e)	Date(s) of approval by the Board, if any	
	(f)	Amount paid as advances, if any	-

For and on behalf of the Board of Directors

Kushagra Bajaj
Chairman & Managing Director
(DIN: 00017575)

ANNEXURE IV

Extract of Annual Return as on the financial year ended on March 31, 2016

[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 Tel.: +91-5876-233754/5/7/8, Fax: +91-5876-233401
6	Whether listed company (Yes/No)	Yes
7	Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Private Limited C-13 Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai - 400 078 Tel.: +91-22-2596 3838 Fax.: +91-22-2594 6969 E-mail: rnt.helpdesk@linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

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

Sl. No.	Name and Description of main products / services	NIC Code of the product/service	% to total turnover of the Company
1	Sugar	1702	82.25%
2	Industrial Alcohol	1101	13.40%

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	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 (As on 01-04-2015)				No. of Shares held at the end of the year (As on 31-03-2016)				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual / HUF	2,96,54,338	0	2,96,54,338	3.66	2,96,54,338	0	2,96,54,338	2.66	(1.00)
b) Central Govt.	0	0	0	-	0	0	0	-	-
c) State Govt.(s)	0	0	0	-	0	0	0	-	-
d) Bodies Corp.	19,13,43,955	0	19,13,43,955	23.62	19,13,43,955	0	19,13,43,955	17.13	(6.49)
e) Banks / FI	0	0	0	-	0	0	0	-	-
f) Any Other (Trusts)	7,39,32,473	0	7,39,32,473	9.12	7,39,32,473	0	7,39,32,473	6.62	(2.50)
Sub-total (A)(1):-	29,49,30,766	0	29,49,30,766	36.40	29,49,30,766	0	29,49,30,766	26.41	(9.99)
(2) Foreign									
a) NRIs - Individuals	0	0	0	-	0	0	0	-	-
b) Other - Individuals	0	0	0	-	0	0	0	-	-
c) Bodies Corp.	0	0	0	-	0	0	0	-	-
d) Banks / FI	0	0	0	-	0	0	0	-	-
Sub-total (A)(2):-	0	0	0	-	0	0	0	-	-
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	29,49,30,766	0	29,49,30,766	36.40	29,49,30,766	0	29,49,30,766	26.41	(9.99)
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	6,723	2,900	9,623	0.00	12,150	2,900	15,050	0.00	0.00
b) Banks / FI	4,80,01,505	17,08,41,966	21,88,43,471	27.01	49,41,83,911	700	49,41,84,611	44.25	17.24
c) Central Govt	0	0	0	-	0	0	0	-	-
d) State Govt.(s)	4,500	0	4,500	0.00	4,500	0	4,500	0.00	0.00
e) Venture Capital Funds	0	0	0	-	0	0	0	-	-
f) Insurance Companies	4,31,65,896	0	4,31,65,896	5.33	4,31,65,896	0	4,31,65,896	3.87	(1.46)
g) FIs	1,65,75,751	500	1,65,76,251	2.05	2,46,12,519	500	2,46,13,019	2.20	0.15
h) Foreign Venture Capital Funds	0	0	0	-	0	0	0	-	-
i) Others (specify)	0	0	0	-	12,66,151	0	12,66,151	0.11	0.11
Sub-total (B)(1):-	10,77,54,375	17,08,45,366	27,85,99,741	34.38	56,32,45,127	4,100	56,32,49,227	50.43	16.05
(2) Non-Institutions									
a) Bodies Corp.									
i) Indian	4,53,25,377	17,497	4,53,42,874	5.60	4,51,89,864	14,997	4,52,04,861	4.05	(1.55)
ii) Overseas	34,14,114	0	34,14,114	0.42	35,47,983	0	35,47,983	0.32	(0.10)
b) Individuals									
i) Individual shareholders holding nominal share capital up to ₹ 2 lakh (previous year ₹1 lakh)	12,55,06,493	7,29,630	12,62,36,123	15.58	14,61,75,063	7,07,680	14,68,82,743	13.15	(2.43)
ii) Individual shareholders holding nominal share capital in excess of ₹ 2 lakh (previous year ₹1 lakh)	2,62,34,909	0	2,62,34,909	3.24	2,41,16,683	0	2,41,16,683	2.16	(1.08)
c) Others (specify)	3,45,82,650	5,00,000	3,50,82,650	4.33	3,83,85,511	5,00,000	3,88,85,511	3.48	(0.85)
Sub-total (B)(2):-	23,50,63,543	12,47,127	23,63,10,670	29.17	25,74,15,104	12,22,677	25,86,37,781	23.16	(6.01)
Total Public Shareholding									
(B) = (B)(1)+(B)(2)	34,28,17,918	17,20,92,493	51,49,10,411	63.55	82,06,60,231	12,26,777	82,18,87,008	73.59	10.04
C. Shares held by Custodian for GDRs & ADRs	4,00,000	0	4,00,000	0.05	0	0	0	0.00	(0.05)
Grand Total (A+B+C)	63,81,48,684	17,20,92,493	81,02,41,177	100.00	111,55,90,997	12,26,777	111,68,17,774	100.00	0.00

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 during the year ended 31.03.2016

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (As on 01-04-2015)			Shareholding at the end of the year (As on 31-03-2016)			
		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	1.04	1.04	83,96,341	0.75	0.75	(0.29)
2	Kushagra Bajaj	1,28,97,036	1.59	1.59	1,28,97,036	1.15	1.15	(0.44)
3	Minakshi Bajaj	42,54,556	0.53	0.53	42,54,556	0.38	0.38	(0.15)
4	Apoorva Bajaj	2,31,751	0.03	0.03	2,31,751	0.02	0.02	(0.01)
5	Shishir Bajaj (as karta of Shishir Bajaj HUF)	38,74,654	0.48	0.48	38,74,654	0.35	0.35	(0.13)
6	Shishir Bajaj, Minakshi Bajaj and Kushagra Bajaj (as trustees of Kushagra Trust No.2)	60,623	0.01	0.01	60,623	0.01	0.01	(0.00)
7	Shishir Bajaj, Minakshi Bajaj and Kushagra Bajaj (as trustees of Shishir Bajaj Family Trust)	6,49,48,632	8.02	8.02	6,49,48,632	5.82	5.82	(2.20)
8	Shishirkumar Bajaj & Kushagra Bajaj (as trustees of Bajaj Hindusthan Limited Employees General Medical Aid Fund)	20,78,120	0.26	0.26	20,78,120	0.19	0.19	(0.07)
9	Shishirkumar Bajaj & Kushagra Bajaj (as trustees of Bajaj Hindusthan Limited Employees Family Planning Welfare Fund)	17,53,100	0.22	0.22	17,53,100	0.16	0.16	(0.06)
10	Shishirkumar Bajaj & Kushagra Bajaj (as trustees of Bajaj Hindusthan Limited Employees Sports & Cultural Activities Welfare Fund)	17,43,600	0.22	0.22	17,43,600	0.16	0.16	(0.06)
11	Shishirkumar Bajaj & Kushagra Bajaj (as trustees of Bajaj Hindusthan Limited Managerial Staff Medical Aid Fund)	17,39,100	0.21	0.21	17,39,100	0.16	0.16	(0.05)
12	Shishirkumar Bajaj & Kushagra Bajaj (as trustees of Bajaj Hindusthan Limited Employees Education Welfare Fund)	16,09,298	0.20	0.20	16,09,298	0.14	0.14	(0.06)
13	Bajaj Capital Ventures Private Limited	2,24,71,42	0.28	0.28	2,24,71,42	0.20	0.20	(0.08)
14	Bajaj Resources Limited	8,19,44,455	10.11	10.11	8,19,44,455	7.34	7.34	(2.77)
15	A.N. Bajaj Enterprises Private Limited	1,83,07,954	2.26	2.26	1,83,07,954	1.64	1.64	(0.62)
16	KNB Enterprises LLP	110	0.00	0.00	110	0.00	0.00	(0.00)
17	SKB Roop Commercial LLP	110	0.00	0.00	110	0.00	0.00	(0.00)
18	Global World Power Projects Private Limited	4,11,11,121	5.07	5.07	4,11,11,121	3.68	3.68	(1.39)
19	Bajaj International Realty Private Limited	2,77,77,484	3.43	3.43	2,77,77,484	2.49	2.49	(0.94)
20	Bajaj Infrastructure Development Company Limited	1,99,55,469	2.46	2.46	1,99,55,469	1.79	1.79	(0.67)
21	Bajaj Power Ventures Private Limited	110	0.00	0.00	110	0.00	0.00	(0.00)
	Total	29,49,30,766	36.40	36.40	29,49,30,766	26.41	26.41	(9.99)

(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/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-15 to 31-03-16)	
		No. of shares at the beginning (01-04-15) / end of the year (31-03-16)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1	State Bank of India	3,25,85,212	4.02	01-04-2015				
				02-11-2015	4,23,10,215	Allotment	7,48,95,427	6.71
				04-02-2016	1,32,50,795	Allotment	8,81,46,222	7.89
		8,81,46,222	7.89	31-03-2016			8,81,46,222	7.89
2	Punjab National Bank	2,21,69,514	2.74	01-04-2015				
				30-10-2015	-81,00,000	Sale	2,13,59,514	1.91
				02-11-2015	3,77,84,661	Allotment	5,91,44,175	5.30
				27-11-2015	-45,79,164	Sale	5,45,65,011	4.89
				04-02-2016	1,20,68,301	Allotment	6,66,33,312	5.97
		6,66,33,312	5.97	31-03-2016			6,66,33,312	5.97
3	Allahabad Bank	2,08,58,744	2.57	01-04-2015				
				02-11-2015	2,62,62,820	Allotment	4,71,21,564	4.22
				04-02-2016	82,01,426	Allotment	5,53,22,990	4.95
		5,53,22,990	4.95	31-03-2016			5,53,22,990	4.95
4	IDBI Bank Limited	3,23,80,235	4.00	01-04-2015				
				02-11-2015	1,73,54,699	Allotment	4,97,34,934	4.45
				04-02-2016	54,19,573	Allotment	5,51,54,507	4.94
		5,51,54,507	4.94	31-03-2016			5,51,54,507	4.94
5	Central Bank of India	2,11,87,774	2.61	01-04-2015				
				02-11-2015	1,93,11,039	Allotment	4,04,98,813	3.63
				04-02-2016	62,93,107	Allotment	4,67,91,920	4.19
		4,67,91,920	4.19	31-03-2016			4,67,91,920	4.19
6	Life Insurance Corporation of India	4,10,26,922	5.06	01-04-2015	0	Nil movement during the year		
		4,10,26,922	3.67	31-03-2016			4,10,26,922	3.67
7	Oriental Bank of Commerce	1,31,82,222	1.63	01-04-2015				
				02-11-2015	1,70,89,032	Allotment	3,02,71,254	2.71
				04-02-2016	53,36,610	Allotment	3,56,07,864	3.19
		3,56,07,864	3.19	31-03-2016			3,56,07,864	3.19

Sr. No.		Shareholding					Cumulative Shareholding during the year (01-04-15 to 31-03-16)	
8	Jayakumar Narayansawami	3,11,00,000	3.84	01-04-2015	0	Nil movement during the year		
		3,11,00,000	2.78	31-03-2016			3,11,00,000	2.78
9	State Bank of Patiala	80,50,383	0.99	01-04-2015				
				02-11-2015	1,04,36,459	Allotment	1,84,86,842	1.66
				04-02-2016	32,59,271	Allotment	2,17,46,113	1.95
		2,17,46,113	1.95	31-03-2016			2,17,46,113	1.95
10	Indian Overseas Bank	1,41,69,166	1.75	01-04-2015				
				02-11-2015	56,26,675	Allotment	1,97,95,841	1.77
				04-02-2016	17,57,113	Allotment	2,15,52,954	1.93
		2,15,52,954	1.93	31-03-2016			2,15,52,954	1.93

Note:

Paid-up capital of the Company as on 31.03.2015 was 81,02,41,177 equity shares of ₹ 1/- each and as on 31.03.2016 was 111,68,17,774 equity shares of ₹ 1/- each.

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	For Each of the Directors and KMP				
1.	Mr. Kushagra Bajaj	1,28,97,036	1.59	1,28,97,036	1.15
2.	Mr. M. L. Apte	1,800	0.00	1,800	0.00
3.	Mr. R. V. Ruia	6,750	0.00	6,750	0.00
4.	Mr. D. K. Shukla	0	-	0	-
5.	Mr. Alok Krishna Agarwal	0	-	0	-
6.	Mr. Vipulkumar S. Modi (w.e.f. 07/01/2016)	0	-	0	-
7.	Mr. Ashok Mukand (w.e.f. 14/09/2015)	0	-	0	-
8.	Mr. Binod Kumar (w.e.f. 07/01/2016)	0	-	0	-
9.	Mr. Ashok Kumar Gupta	2,900	0.00	2,900	0.00
10.	Mrs. Kiran Anuj	0	-	0	-
11.	Mr. Pradeep Parakh	4,000	0.00	4,000	0.00
12.	Mr. Ved Prakash Agrawal	0	-	0	-

V. INDEBTEDNESS:**Indebtedness of the Company including interest outstanding/accrued but not due for payment:**

	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
	₹ Crore	₹ Crore	₹ Crore	₹ Crore
Indebtedness at the beginning of the financial year				
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
Total (i+ii+iii)	7,111.97	176.66	0.00	7,288.63
Change in Indebtedness during the financial year				
• Addition	96.00	25.26	0.00	121.26
• Reduction	330.68	0.88	0.00	331.56
Net Change	(234.68)	24.38	0.00	(210.30)
Indebtedness at the end of the financial year				
i) Principal Amount	6,872.57	201.04	-	7,073.61
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	1.23	0.00	0.00	1.23
Total (i+ii+iii)	6,873.80	201.04	0.00	7,074.84

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/MTD/Manager		
		Mr. Kushagra Bajaj	Mr. Ashok Kumar Gupta	Total Amount
1	Gross Salary	1,64,31,984	71,46,869	2,35,78,853
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961			
	(b) Value of perquisites u/s 17(2) of Income-tax Act, 1961	1,70,719	5,91,025	7,61,744
	(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.)	11,33,600	3,58,933	14,92,533
6	Total (A)	1,77,36,303	80,96,827	2,58,33,130
	Ceiling as per the Act			5,12,87,016

B. Remuneration to other directors:

Particulars of Remuneration	Name of Directors					Amount in ₹
	Mr. Alok Krishna Agarwal	Mr. R. V. Ruia	Mr. M. L. Apte	Mr. D. K. Shukla	Mr. Vipulkumar S. Modi (w.e.f. January 07, 2016)	Total Amount
1. Independent Directors • Fee for attending board committee meetings • Commission • Others, please specify	2,30,000	3,10,000	2,60,000	2,50,000	80,000	11,30,000
Total (1)	2,30,000	3,10,000	2,60,000	2,50,000	80,000	11,30,000
					Mrs. Kiran Anuj	
2. Other Non-Executive Directors • Fee for attending board committee meetings • Commission • Others, please specify	- - -	- - -	- - -	- - -	1,60,000 - -	1,60,000 - -
Total (2)					1,60,000	1,60,000
	Mr. Ashok Mukand (w.e.f. September 14, 2015)	Mr. Binod Kumar (w.e.f. January 07, 2016)				
3. Other nominee directors • Fee for attending board committee meetings • Commission • Others, please specify	1,00,000 - -	40,000 - -	- - -	- - -	- - -	1,40,000 - -
Total (3)	1,00,000	40,000	-	-	-	1,40,000
Total (B)=(1+2+3)	3,30,000	3,50,000	2,60,000	2,50,000	2,40,000	14,30,000
Total Managerial Remuneration						2,72,63,130
Overall ceiling as per the Act*						5,12,87,016

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

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		CFO Mr. Ved Prakash Agrawal	Company Secretary Mr. Pradeep Parakh	Total
1	Gross Salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	39,08,388	1,89,04,085	2,28,12,473
	(b) Value of perquisites u/s 17(2) of Income-tax Act, 1961	32,400	10,36,636	10,69,036
	(c) Profits in lieu of salary under Section 17(3) of Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission			
	- as % of profit	-	-	-
	- others, specify...	-	-	-
5	Others (Contribution to PF, Superannuation funds, etc.)	2,35,152	9,93,300	12,28,452
	Total	41,75,940	2,09,34,021	2,51,09,961

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

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

For and on behalf of the Board of Directors

Kushagra Bajaj
Chairman & Managing Director
(DIN: 00017575)

Mumbai
May 30, 2016

ANNEXURE V

REPORT ON CSR ACTIVITIES/INITIATIVES

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

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

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 year 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

3. Average Net Profit of the Company for last 3 financial years: Not applicable (Since the Company incurred loss during last 3 financial years).

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

5. 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 or activity identified	Sector in which the Project is covered	Projects or Programs 1. Local area or other 2. Specify the State and District where Projects or Programs was undertaken	Amount outlay (budget) Projects or Programswise	Amount spent on the Projects or Programs Sub-heads: 1. Direct expenditure on Projects or Programs 2. Overheads	Cumulative expenditure up to the reporting period	Amount spent Direct or through implementing agency*
- Not Applicable -							

* Give details of implementing agency.

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

7. Responsibility statement:

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

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

Kushagra Bajaj

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

Ashok Kumar Gupta

Director (Group Operations)
(DIN: 02608184)

ANNEXURE VI

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 2015-16 (Amount in ₹)	% Increase in Remuneration in the year 2015-16	Ratio of Remuneration of each Director to median remuneration of employee	Comparison of the Remuneration of KMP against performance of the Company
1	Mr. Kushagra Bajaj	Chairman and Managing Director	1,77,36,303	34.28%	109.11	Turnover of the Company was ₹ 4,689.20 crore as compared to ₹ 4,570.12 crore in the previous year ended March 31, 2015. The loss after tax was ₹ 114.28 crore as compared to the loss of ₹ 1,097.22 crore in the previous year ended on March 31, 2015.
2	Mr. Ashok Kumar Gupta	Director (Group Operations)	80,96,827	1.40%	49.81	
3	Mr. M. L. Apte	Director	2,60,000	**	1.60	
4	Mr. D. K. Shukla	Director	2,50,000	@	1.54	
5	Mr. R. V. Ruia	Director	3,10,000	**	1.90	
6	Mr. Alok Krishna Agarwal	Director	2,30,000	**	1.41	
7	Mrs. Kiran Anuj	Director	1,60,000	***	0.98	
8	Mr. Ashok Mukand \$	Nominee Director	1,00,000	*	Not applicable	
9	Mr. Binod Kumar \$	Nominee Director	40,000	*	Not applicable	
10	Mr. Vipulkumar S. Modi \$	Director	80,000	*	Not applicable	

Sl. No.	Name of the Directors/KMP	Designation	Remuneration of Directors/ KMP for the year 2015-16 (Amount in ₹)	% Increase in Remuneration in the year 2015-16	Ratio of Remuneration of each Director to median remuneration of employee	Comparison of the Remuneration of KMP against performance of the Company
11	Mr. Ved Prakash Agrawal	Chief Financial Officer	41,75,940	#	Not applicable	Turnover of the Company was ₹ 4,689.20 crore as compared to ₹ 4,570.12 crore in the previous year ended March 31, 2015. The loss after tax was ₹ 114.28 crore as compared to the loss of ₹ 1,097.22 crore in the previous year ended on March 31, 2015.
12	Mr. Pradeep Parakh	Group President (GRC) & Company Secretary	2,09,34,021	6.28%	Not applicable	

* Percentage increase in remuneration and the ratio and remuneration to median remuneration of Directors not given as they were holding position of Director/KMP for the part of the year 2015-16

** Sitting fees paid to Non-Executive Directors during the year was more than the sitting fees paid in the last financial year

Percentage increase in remuneration and the ratio and remuneration to median remuneration of employee not given as he was holding position of KMP for the part of the year 2014-15

@ Sitting fees paid to Non-Executive Directors during the year was less than the sitting fees paid in the last financial year

\$ Mr. Ashok Mukand was appointed as Nominee Director w.e.f. 14.09.2015

\$ Mr. Vipulkumar S. Modi was appointed as Additional Director w.e.f. 07.01.2016

\$ Mr. Binod Kumar was appointed as Nominee Director w.e.f. 07.01.2016

2. The median remuneration of employees of the Company during the year was ₹ 1,62,556.

3. The increase in the median remuneration of employees in the financial year was 6.31%.

4. There were 7,149 permanent employees on the rolls of the Company as at March 31, 2016.

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

Average increase in remuneration during the financial year 2015-16 as compared to the financial year 2014-15 was 11.92%. Turnover of the Company was ₹ 4,689.20 crore as compared to ₹ 4,570.12 crore in the previous year ended March 31, 2015. The loss after tax was ₹ 114.28 crore as compared to the loss of ₹ 1,097.22 crore in the previous year. 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 increased by around 14.37% which was necessitated despite the loss of ₹ 114.28 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, 2016 was ₹ 2,238.10 crore and as on March 31, 2015 was ₹ 1,166.75 crore.

b) Price earnings ratio of the Company as at March 31, 2016 and as at March 31, 2015 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 11.76%. Increase in remuneration of managerial personnel is 14.37%. 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. The ratio of the remuneration of the highest paid director to that of the employee who is not director but receive remuneration in excess of the highest paid director during the year: 1 : 1.18

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 year	(% 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	1,77,36,303	B.S. Indl Mgmt (Fin,Eco,Pol Phil), M. S. (Integrated Mktg Comm (Mktg)	39	14	20.08.2001	-	1.15
2	Mr. Ashok Kumar Gupta	Director (Group Operations)	80,96,827	M.Com	65	44	31.05.1982	Accounts Officer, Upper Doab Sugar Mills Limited	0.00
3	Mr. Pradeep Parakh	Group President (GRC) & Company Secretary	2,09,34,021	B.Com (Hons), FCA, FCS	49	27	07.03.2001	Dy. Company Secretary, Gujarat Ambuja Cement Ltd.	0.00
4	Mr. Naval Kishore Kashyap	Sr. V.P. (Indirect Taxation)	60,34,290	B.Com. Diploma (Excise & Cust.)	56	35	01.11.2011	President (Business and Regulatory Affairs), Carbery Infrastructure Pvt. Ltd.	0.00
5	Mr. Akash Sharma	V.P. (Finance)	1,08,25,276	B.Com, LLB & FCA	52	25	22.03.2006	Jaiprakash Associates Ltd. (GM(F&A))	

B. Employees employed for a part of the financial year and who were in receipt of the remuneration during that financial year at a rate not less than ₹ 5,00,000 per month

1	Mr. Narayan Raman	President (Corporate & Investor Relations)	1,13,29,522	BE (Electrical), Diploma in System Analysis and Design	54	29	22.12.2003	V.P. (Investor Relations), Sterlite Industries Ltd.	-
2	Dr. Sanjeev Kumar	Executive Director	2,92,45,729	B.Com. M.Com. FICWA, ICSI, PH.D, LLB, Diploma IPRL	57	37	19.06.2004	V.P. (Legal) & Co. Secretary, H.B. Stockholding Ltd.	0.00

3	Mr. Manoj S. Maheshwari	Director & Group CFO	1,71,11,880	B.Com. (Hons), FCA, FCS & MBA (Marketing)	50	28	22.09.2007	Sr. V.P (Finance) & Co. Secretary, Hindusthan National Glass & Industries Ltd.	-
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Notes:

- 1 Remuneration includes Salary, Allowances, Company's Contribution to Provident Fund, Superannuation, etc., taxable value of perquisites and terminal benefits as may be applicable.
- 2 Except the appointment of Mr. Kushagra Bajaj, all appointments are non-contractual and terminable by notice on either side.

For and on behalf of the Board of Directors

Kushagra Bajaj
Chairman & Managing Director
(DIN: 00017575)

Mumbai
May 30, 2016

ANNEXURE VII

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 on / off of cooling tower fan according to injection water temperature to save power.
2. Use of LED bulbs in place of simple bulb and lighting in dormitory to reduce the power load.
3. Pump having smaller capacity installed at UGR for water re-circulation during off season which saved approximately 50% of previous power consumption.
4. Steam carrying lines are insulated to minimise heat loss.
5. Power Capacitors were installed in the Power House & all Motor Control Centres in all Sections & maintained Power Factor between 0.93 and 0.95 to reduce the Power Consumption.
6. Grease is used at Mills as lubricator which reduces the consumption of lubricant & same time pollutant load on ETP also get reduces.
7. Installed Sugar Engineering Device make auto system to reduce power consumption by reduction of injection water consumption.
8. Installation of auto shut off system for underground water reservoir pumps.
9. Arrangements made for use of surplus hot water in place of fresh water during chemical boiling etc.
10. Maximum utilisation of bio gas in 30 TPH Boiler to save bagasse consumption.
11. 100% circulation of cooling water to reduce the use of ground water and borewell running.
12. Variable Frequency Drives are installed at Boilers in 1x80 TPH & ID Fan of 1x50 TPH and Dyno Drives for Bagasse Feeder, VFDs installed at Rake & Cane Carriers of Mill for reduction in Power Consumption.
13. Online Stake Emission Monitoring Systems installed on Chimneys of Three (03) Boilers to as online data is required to UPPCB.
14. Use of Molasses Coolers to cool down Molasses before Storage.

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

Bio gas used in 30 TPH Boiler.

(iii) Capital investment on energy conservation equipment: Nil

B. Technology absorption:

(i) Efforts made towards technology absorption:

Research and Development (R&D): Under Sugarcane Research & Development, specific areas in which R&D is carried out by the Company during the year ended March 31, 2016 were accelerated as under:

1. Application of organic manure & micro nutrients.
2. Seed multiplication in nurseries.
3. Foliar spray on sugar cane crop.
4. Dust separating screens has been installed at sugar hoppers to screen out dust from hopper sugar.
5. Modification done in 3500 Sq. M FFE Juice Circulation Line to avoid the leakages and reduce the breakdowns.
6. Modification done in spray pumps delivery headers to equalise the headers pressure to get better efficiency of mist cooling.
7. Installation of 60 Cu.M/Hr capacity cooling tower done to cool & reuse the surplus condensate water.
8. Preparation of Lagoon of Cap.11000 Cu.M holding done for treated Effluent to achieve the ZLD Norms.
9. Installation of 2 Nos. 20 Cu.M/Hr capacity vertical pumps done to recover the SHWW condensate water to reduce the effluent.
10. Plant is upgraded, the production of L grade sugar as per market requirement for better realisation.
11. A few new cane varieties Co 0238, Co 0018, Co 98014 in early group and CoJ 88 in general group were introduced in our area.
12. Magnet is installed at both hoppers with modification in its feeding chute.
13. Electronic Weighbridges were introduced in the year 2012-13 and they are running successfully at our centres for cane weightment.
14. Use of preventive maintenance - management tools for reduction of maintenance cost specially at our cane handlings equipment (Cane un-loaders).
15. Synchronisation of back-up power source of DG set.
16. Existing Cooling system of "Pan Circulator" have been modified from air cooled to water cooled.
17. "On line monitoring" of ETP effluent after treatment.
18. Introduced Zero Budget Natural Farming concept in the area in order to reduce farmers input cost and increase & sustain sugarcane productivity.
19. Internal design modification in Batch type Sulphur Furnace has been conducted.
20. Rain water harvesting & recirculation of hot and cold water reduces the use of ground water and same time its reduces the generation of effluent.
21. 100% GPS survey was organised for cane survey.

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

1. Sugar recovery increased.
2. Average cane yield increased.
3. Lower cost of cultivation of sugar cane.
4. Quantity of dust in bagged sugar minimised to a greater extent
5. Leakages avoided, unknown sugar losses & breakdowns eliminated.
6. Spray water temperature reduced and Efficiency of PANs & Evaporators increased.
7. Got surplus cooled water and reused it in process.
8. Treated effluent stored and reused for horticulture purpose and helped us to fulfil the ZLD Norms.
9. Reduction in effluent generation.
10. Our total sale to buyers is increased in comparison to last year and also help us in improving our total realisation.
11. Introduction of new high sugar yielding varieties helped in achieving good sugar recovery in comparison to last year and help us in replacement / reduction of old deteriorating varieties to help in maintaining the proper varietals balance.
12. Magnetic particle loading reduced in the final product to maximum extent and has improved the quality of sugar.
13. Saved stationery and have controlled the advance purchasing at out centres.
14. On cane handling equipment, using preventive maintenance measures; zero failure of electrical drives has been achieved since last two years.
15. At backup power system synchronisation enhance the capacity utilisation of DG set during plant emergency.

16. There is a net fall of 15°C of gear box lube oil in the existing Cooling system of "Pan Circulator" resulting into enhance the equipment life cycle as well increase in up time.
17. Online monitoring helpful in instance trend of BOD & COD of treated effluent, also this is a statutory requirement.
18. Zero Budget Natural Farming helps in bringing down the cost of sugarcane cultivation while improving the soil fertility as well as productivity of sugarcane.
19. Problem of sulphited juice heater choking has been removed.
20. Reduced the use of ground water and same time its reduces the generation of effluent.
21. Reduction in labour cost and increment in the production of sugarcane due to application of mechanised techniques.

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

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

(iv) Expenditure incurred on Research and Development:

For the year/year ended	Year ended March 31, 2016	Year ended March 31, 2015
	(₹ 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 / year ended	Year ended March 31, 2016	Year ended March 31, 2015
	(₹ Crore)	(₹ Crore)
Foreign exchange earned in terms of actual inflows	26.30	0.02
Foreign exchange outgo in terms of actual outflows	0.20	777.14

For and on behalf of the Board of Directors

Kushagra Bajaj
Chairman & Managing Director
(DIN: 00017575)

Mumbai
May 30, 2016

Corporate Governance Report

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

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 mentioned in Chapter IV of SEBI (LODR) Regulations 2015. 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 SEBI (LODR) Regulations 2015. The Company's policies on Corporate Governance and compliance thereof in respect of specific areas for the financial year ended March 31, 2016, in the format prescribed by SEBI (LODR) Regulations 2015 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 and category of Directors

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

Table 1 : Composition and category

Name	Category
Mr. Kushagra Bajaj, (Chairman and Managing Director), DIN: 00017575	Executive, Promoter
Mr. M. L. Apte, DIN: 00003656	Independent, Non-Executive
Mr. R. V. Ruia, DIN: 00035853	Independent, Non-Executive
Mr. D. K. Shukla, DIN: 00025409	Independent, Non-Executive
Mr. Alok Krishna Agarwal, DIN: 00127273	Independent, Non-Executive

Name	Category
Mr. Vipulkumar S. Modi, (w.e.f. 07/01/2016), DIN: 06985276	Independent, Non-Executive
Mr. Ashok Mukand, (w.e.f. 14/09/2015), DIN: 01235804	Nominee Director, State Bank of India (Lender)
Mr. Binod Kumar, (w.e.f. 07/01/2016), DIN: 07361689	Nominee Director, Punjab National Bank (Lender)
Mr. Ashok Kumar Gupta, Director (Group Operations), DIN: 02608184	Executive
Mrs. Kiran Anuj, DIN: 02606822	Non-Independent, Non-Executive

None of the directors are related with any other directors of the Company.

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. 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 Chairman of Nomination & Remuneration Committee.

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

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

Mr. Ashok Mukand, Nominee Director

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

Mr. Binod Kumar, Nominee Director

Mr. Binod Kumar has been appointed as a Director, nominated by Punjab National Bank since January 2016. He graduated in Bachelor of Science and completed Diploma in Treasury, Investment & Risk Management and Diploma in Banking & Finance. He holds degree of B.Sc (Hons). Mr. Binod Kumar had served PNB in various senior positions like Circle Head - AGM-Circle Office at Noida, Circle Head - AGM-Circle Office at Jabalpur, AGM (Incumbent) MCB at Lucknow, and Chief Manager-IRMD at HO New Delhi and presently designated as AGM-Circle Head, NCR Noida Circle.

Mr. Ashok Kumar Gupta, Executive

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-Independent, Non-Executive

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.

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

During the financial year 2015-16, the Board of Directors met eight times on May 28, 2015, July 08, 2015, August 13, 2015, September 14, 2015, November 04, 2015, January 07, 2016, January 21, 2016 and February 03, 2016. The gap between any two meetings has been less than four months.

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

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

Name	Board Meetings held / attended	Whether attended, previous AGM held on September 14, 2015
Mr. Kushagra Bajaj (Chairman and Managing Director) DIN: 00017575	08/04	No
Mr. M. L. Apte DIN: 00003656	08/07	No
Mr. R. V. Ruia DIN: 00035853	08/06	No
Mr. D. K. Shukla DIN: 00025409	08/06	Yes
Mr. Alok Krishna Agarwal DIN: 00127273	08/06	Yes
Mr. Vipulkumar S. Modi (w.e.f. 07/01/2016) DIN: 06985276	02/02	No
Mr. Ashok Mukand (w.e.f. 14/09/2015) DIN: 01235804	04/03	No

Name	Board Meetings held / attended	Whether attended, previous AGM held on September 14, 2015
Mr. Binod Kumar (w.e.f. 07/01/2016) DIN: 07361689	02/01	No
Mr. Ashok Kumar Gupta Director (Group Operations) DIN: 02608184	08/06	Yes
Mrs. Kiran Anuj DIN: 02606822	08/06	No

Meeting of Independent Directors

As stipulated by the Code of Independent Directors under the Companies Act, 2013 and the SEBI (LODR) Regulations 2015, a separate meeting of the Independent Directors of the Company during the calendar year 2015 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 designed and structured agenda. All the agenda items are backed by necessary supporting information and documents (except for the critical price sensitive information, which is circulated at the meeting) to enable the Board to take informed decisions. Agenda also includes minutes of the meetings of all the Board Committees and Subsidiaries for the information of the Board. Additional agenda items in the form of "Other Business" are included with the permission of the Chairman. Agenda papers are generally circulated seven days prior to the Board Meeting. In addition, for any business exigencies, the resolutions are passed by circulation and later placed in the subsequent Board Meeting for noting and made part of the minutes of such meeting.

Invitees & proceedings

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

Post meeting action

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

Support and role of Company Secretary

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

Other directorship and membership of Board Committees

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

Table 3: Directorship in other companies and committee position in all public limited companies as at March 31, 2016

Name	Directorship in all other companies	Committee Membership			Committee Chairmanship		
		In Listed Public Companies	In Unlisted Public Companies	Total	In Listed Public Companies	In Unlisted Public Companies	Total
Mr. Kushagra Bajaj	1	2	NIL	2	NIL	NIL	NIL
Mr. M. L. Apte	6	9	NIL	9	NIL	NIL	1
Mr. R. V. Ruia	8	2	NIL	2	2	NIL	2
Mr. D. K. Shukla	2	1	1	2	NIL	NIL	NIL
Mr. Alok Krishna Agarwal	12	2	NIL	2	NIL	NIL	NIL
Mr. Vipulkumar S. Modi (w.e.f. 07/01/2016)	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Mr. Ashok Mukand (w.e.f. 14/09/2015)	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Mr. Binod Kumar (w.e.f. 07/01/2016)	1	1	NIL	NIL	NIL	NIL	NIL
Mr. Ashok Kumar Gupta	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Mrs. Kiran Anuj	5	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.

Shares held by non-executive Directors

Shares held by Non-Executive Directors of the Company are given in Table 4.

Table 4: Shares held by non-executive Directors

Name of the Directors	Number of Shares held as on March 31, 2016
Mr. M. L. Apte	1,800
Mr. R. V. Ruia	6,750

Induction & training of Board members

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

Familiarisation programmes for Independent Directors

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

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

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 Director, including the Board Chairman who were evaluated on parameters such as attendance, contribution at the meetings and otherwise, independent judgement, safeguarding of minority shareholders interest etc. The evaluation of the Independent Directors was carried out by the entire Board and that of the Chairman and Non-independent Directors were carried out by the Independent Directors. The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

Code of conduct

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

Prevention of insider trading code

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

Board committees

Table 5: Board Committees as of March 31, 2016

Committee	Members (Category)
Audit Committee	Mr. R. V. Ruia, Chairman* (Independent, Non-Executive) Mr. D. K. Shukla (Independent, Non-Executive) Mr. Alok Krishna Agarwal (Independent, Non-Executive)
Nomination and Remuneration Committee	Mr. D. K. Shukla, Chairman* (Independent, Non-Executive) Mr. M. L. Apte (Independent, Non-Executive) Mr. R. V. Ruia (Independent, Non-Executive) Mr. Alok Krishna Agarwal (Independent, Non-Executive)
Stakeholders' Relationship Committee	Mr. R. V. Ruia, Chairman* (Independent, Non-Executive) Mr. M. L. Apte (Independent, Non-Executive) Mr. Kushagra Bajaj (Chairman & Managing Director)
Corporate Social Responsibility Committee	Mr. Kushagra Bajaj, Chairman* (Chairman & Managing Director) Mr. Alok Krishna Agarwal (Independent, Non-Executive) Mr. Ashok Kumar Gupta, Director (Group Operations) Mrs. Kiran Anuj (Non-Independent, Non-Executive)

* Chairman of the respective committee

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

Audit Committee

Brief description of terms of reference

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

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

Composition, name of members and chairperson

The Audit Committee in Bajaj Hindusthan Sugar was constituted in 1989. 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 Regulation 18 of SEBI (LODR) Regulations, 2015 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 year

During the financial year ended March 31, 2016, the Audit Committee met six times on May 28, 2015, August 13, 2015, September 14, 2015, November 04, 2015, January 01, 2016 and February 03, 2016. The gap between any two meetings has been less than four months. Out of the aforesaid, four 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 6.

Table 6: Attendance at the meetings of the audit committee of directors during financial year 2015-16

Name of Committee Members	Category	Audit Committee Meetings held / attended
Mr. R. V. Ruia, Chairman	Independent, Non-Executive	06/05
Mr. D. K. Shukla	Independent, Non-Executive	06/06
Mr. Alok Krishna Agarwal	Independent, Non-Executive	06/05

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

Nomination and Remuneration Committee

Brief description of terms of reference

The 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.

Composition, name of members and chairperson

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 reconstituted the Nomination and Remuneration Committee consisting of four non-executive Directors. The composition of the Nomination and Remuneration Committee is given in Table 7 below.

Meeting and attendance during the year

During the financial year ended March 31, 2016, the Nomination and Remuneration Committee met two times on May 28, 2015 and January 01, 2016. The attendance of each Committee Member is provided in Table 7.

Table 7: Attendance at the meetings of the nomination and remuneration committee of directors during the financial year ended March 31, 2016

Name of Committee Members	Category	Nomination and Remuneration Committee Meetings held / attended
Mr. D. K. Shukla, Chairman	Independent, Non-Executive	02/01
Mr. M. L. Apte	Independent, Non-Executive	02/02
Mr. R. V. Ruia	Independent, Non-Executive	02/02
Mr. Alok Krishna Agarwal	Independent, Non-Executive	02/00

Performance evaluation criteria for independent directors

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

General

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

Strategic and Functional

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

Ethics and Values

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

Team Player

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

Self-Development

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

Remuneration policy

The Nomination and Remuneration Committee is fully empowered to determine/approve and revise, subject to necessary approvals, the remuneration of managerial personnel including Whole-time Director and Managing 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 up to November 04, 2015 and ₹ 40,000 with effect from January 07, 2016 for attending each Board Meeting and ₹ 10,000 up to November 04, 2015 and ₹ 20,000 with effect from January 07, 2016 for Audit Committee meeting and ₹ 10,000 for other committee meeting with effect from January 07, 2016 attending each Committee Meeting. The details of sitting fees paid to Non-Executive Directors during the financial year ended March 31, 2016 are provided in Table 8.

Remuneration of Executive Directors

The Executive Directors – Mr. Kushagra Bajaj and Mr. Ashok Kumar Gupta were paid remuneration as per their respective terms of appointment approved by the shareholders of the Company.

On their retirement, Mr. Ashok Kumar Gupta is 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 is 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. The details of remuneration paid to the Directors of the Company are given in Table 8.

Table 8: Remuneration of Directors during the financial year ended March 31, 2016

Name of Directors	Salary ₹	Commission	Performance linked incentive	Sitting fees ₹	Total ₹	Notice period
Mr. Kushagra Bajaj, Chairman & Managing Director	1,77,36,303	--	--	--	1,77,36,303	N.A.
Mr. M. L. Apte	--	--	--	2,60,000	2,60,000	N.A.
Mr. R. V. Ruia	--	--	--	3,10,000	3,10,000	N.A.
Mr. D. K. Shukla	--	--	--	2,50,000	2,50,000	N.A.
Mr. Alok Krishna Agarwal	--	--	--	2,30,000	2,30,000	N.A.
Mr. Vipulkumar S. Modi (w.e.f. 07/01/2016)	--	--	--	80,000	80,000	N.A.
Mr. Ashok Mukand (w.e.f. 14/09/2015)	--	--	--	1,00,000	1,00,000	N.A.
Mr. Binod Kumar (w.e.f. 07/01/2016)	--	--	--	40,000	40,000	N.A.
Mr. Ashok Kumar Gupta, Director (Group Operations)	80,96,827	--	--	--	80,96,827	A.
Mrs. Kiran Anuj	--	--	--	1,60,000	1,60,000	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.

No Stock options was given to directors.

Stakeholders Relationship Committee

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

The Committee is headed by Mr. R.V. Ruia, Independent Director and consists of the members as stated in Table 9 below. During the financial year ended March 31, 2016, the Stakeholders Relationship Committee met four times on May 28, 2015, August 13, 2015, November 04, 2015 and February 03, 2016.

The attendance of each Committee Member is provided in Table 9.

Table 9: Attendance at the meetings of the stakeholders relationship committee during the financial year ended March 31, 2016

Name of Committee Members	Category	Stakeholders Relationship Committee Meetings held / attended
Mr. R. V. Ruia, Chairman	Independent, Non-Executive	04/04
Mr. M. L. Apte	Independent, Non-Executive	04/04
Mr. Kushagra Bajaj	Chairman & Managing Director	04/01

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

Name and designation of compliance officer

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

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

Details of shareholders complaints during the year

The detailed particulars of investors' complaints handled by the Company and its Registrar & Share Transfer Agent during the financial year are stated in Table 10.

Table 10: Details of investor complaints during the financial year ended March 31, 2016

	Number of shareholders complaints received during 2015-16	Solved to the satisfaction of shareholders	Not Solved to the satisfaction of shareholders	Number of pending complaints
Non-receipt of Dividend/Dividend Warrant	08	08	0	0
Non-receipt of Share Certificate	-	-	-	-
Non-receipt of Annual Report	04	04	0	0
Legal and others	-	-	-	-
Total	12	12	0	0

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

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

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 of the Committee

No meeting of the Committee was held during the financial year ended March 31, 2016. The Composition of the Committee is provided in Table 11.

Table 11: Composition of corporate social responsibility committee during the financial year ended March 31, 2016

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

Other Disclosures

Material significant related party transactions

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

Details of non-compliance

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

Whistle blower/Vigil mechanism policy

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

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

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

(1) The Board

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

(2) Audit opinion

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. 41 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) Reporting of Internal Auditor

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

Policy for determining material subsidiary

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

Policy on dealing with related party transactions

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

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

A. Commodity risks and hedging:

Sugar is traded in spot and future markets on commodity exchange both in the Indian and Global commodity markets. Most of the Company's sugar trade is however concentrated in domestic spot markets.

As per the Industry's convention, in domestic market, Physical Sugar is mostly traded on spot basis on prevailing physical sugar prices and is not through exchange (spot or futures market) barring miniscule trade of Institutional trade through exchange.

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

B. Foreign exchange risks and hedging:

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

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

Steps for prevention of insider trading practices

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

Disclosure of the compliance with corporate governance requirements

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

Information to shareholders

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

Report on corporate governance

This section, read together with the information given in the sections titled (i) Management Discussion and Analysis Report and (ii) Shareholder Information, constitutes a detailed compliance report on Corporate Governance during the financial year ended March 31, 2016.

Management discussion and analysis

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

Compliance certificate regarding compliance of conditions of corporate governance

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

This certificate is annexed to the Directors' Report for the financial year ended March 31, 2016 and will be sent to the stock exchanges, along with the Annual Report to be filed by the Company.

General Shareholder Information

Annual general meeting - date, time and venue

Date, Time and Venue of 84th AGM :	Friday, the 16th day of September, 2016 at 11.00 A.M. at BHSL Conference Hall, 1st Floor, Golagokarannath, Lakhimpur-Kheri, District Kheri, Uttar Pradesh - 262 802
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The previous three Annual General Meetings (AGM) of the Company were held on the following date, time and venue. (See Table 12)

Table 12: Date, Time and Venue of Annual General Meetings held:

AGM	Day, Date & Time	Venue
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.
83rd AGM	Monday, 14th September, 2015 at 11.00 A.M.	BHSL Conference Hall, 1st Floor, 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:

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

83rd AGM

Subject matter of the resolutions		Type of resolution
1.	Appointment of Mrs. Kiran Anuj (DIN: 02606822) as a Director of the Company, liable to retire by rotation	Ordinary Resolution
2.	Ratification of the remuneration to Cost Auditors	Ordinary Resolution
3.	Resolution under Section 62(1)(c) read with Section 42 of the Companies Act, 2013 regarding further issue of share capital read with SEBI (Issue of Capital & Disclosure Requirements) Regulations, 2009	Special Resolution

Postal Ballot

No Resolution was passed during last year through Postal Ballot.

Financial Calendar

Financial Year 2016-17	:	April 01, 2016 to March 31, 2017
Audited Annual Results for the year ended March 31, 2016	:	Third week of May 2016
Mailing of Annual Report	:	Second week of August 2016
Unaudited first quarter financial results	:	Second week of August 2016
Unaudited second quarter financial results	:	Second week of November 2016
Unaudited third quarter financial results	:	Second week of February 2017

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

Saturday, September 10, 2016 to Friday, September 16, 2016 (both days inclusive).

Disclosures with respect to demat suspense account/unclaimed suspense account

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

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

Accordingly, unpaid/unclaimed dividends for the years 1997-98 to 2007-08 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 2008-09 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
2008-2009	11777	11,59,567.00	23/04/2017
2009-2010	14910	18,35,607.00	27/04/2018
2010-2011	18953	13,87,551.00	17/03/2019
2011-2012	24530	6,34,078.50	21/03/2020

No dividend was declared during the F.Y. 2012-14, 2014-15.

Unclaimed shares in the suspense account

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

Particulars	Number of shareholders	Number of equity shares
Aggregate number of shareholders and the outstanding shares in the Suspense account lying as on March 31, 2015	3378	8,25,140
Number of shareholders who approached the Company for transfer of shares from suspense account during the year	11	15,780
Number of shareholders to whom shares were transferred from the suspense account during the year	11	15,780
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on March 31, 2016	3367	8,09,360

The voting rights on the shares outstanding in the suspense accounts as on March 31, 2016 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 84th 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.bajajhindusthan.com.

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.

Share Transfer

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

Registrar to an issue and share transfer agent

M/s. Sharepro Services (India) Private Limited, as the Registrar and Share Transfer Agents (RTA) of Bajaj Hindusthan Sugar, handle all share transfers and related processes. As per SEBI Order No.WTM/RKA/MIRSD2/41/2016 dated 22/03/2016, the Management has decided to switch over Registrar and Transfer Agent to Link Intime India Private Limited with effect from 06/05/2016. The Board of Directors have approved the appointment of new Registrar and Share Transfer Agent on 25/04/2016. They provide the entire range of services to the Shareholders of the Company relating to share transfers, change of address or mandate and dividend. The electronic connectivity with both the depositories - National Securities Depository Limited and Central Depository Services (India) Limited is also handled by Link Intime India Private Limited.

Share transfer system

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

The number of shares transferred in physical category during the year ended March 31, 2016 was 5,350 as compared to 3,450 in 2014-15.

Dematerialisation of shares and liquidity

During the year ended March 31, 2016, 24,450 shares were dematerialised as compared to 54,482 shares during 2014-2015. The distribution of shares in physical and electronic modes as at March 31, 2016 and March 31, 2015 is provided in Table 13.

Table 13: Details of Shares held in physical and electronic mode

Categories	Position as at March 31, 2016		Position as at March 31, 2015		Shares Dematerialised during the year ended March 31, 2016	
	No. of Shares	% to total shareholding	No. of Shares	% to total shareholding	No. of Shares	% to total shareholding
Physical	12,26,777	0.11	12,51,227	0.15	-24,450	-0.04
Demat:						
NSDL	87,76,88,442	78.59	58,01,98,950	71.61	29,74,89,492	6.98
CDSL	23,79,02,555	21.30	22,87,91,000	28.24	91,11,555	-6.94
Sub-total	111,55,90,997	99.89	80,89,89,950	99.85		
Total	111,68,17,774	100.00	81,02,41,177	100.00	-	-

Listing on Stock Exchanges and Stock Codes

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

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

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

Company has paid listing fees for the financial year 2015-16 to all the stock exchanges where its securities are listed.

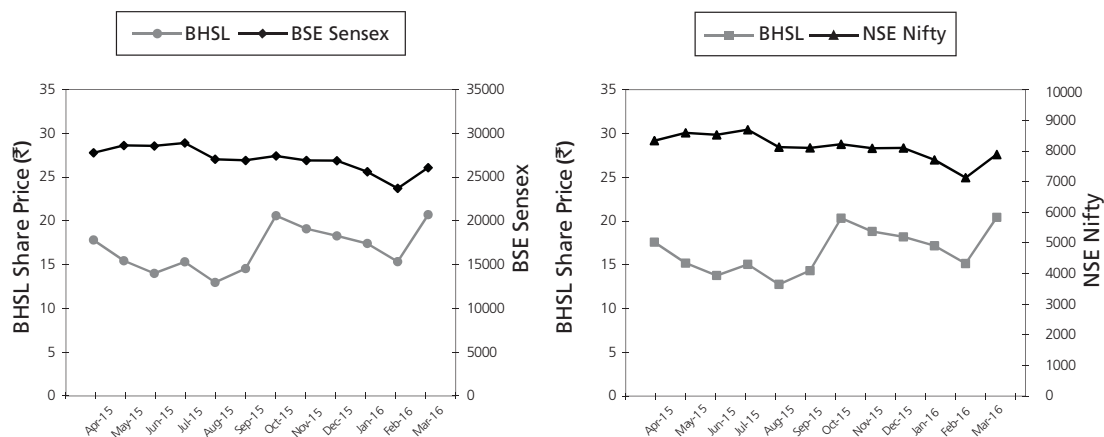
Market price data

The details of high/low market price of the equity shares of the Company at BSE Limited and at The National Stock Exchange of India Limited (NSE) during the last accounting year of the Company are provided hereunder. (See Table 14)

Table 14: Monthly high/low market price of equity shares of Bajaj Hindusthan Sugar Limited during the period ended March 31, 2016

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 2015	18.51	14.28	17.19	18.50	14.20	17.20
May 2015	17.55	14.75	14.85	15.20	14.70	14.85
June 2015	15.45	11.60	13.43	15.45	11.60	13.45
July 2015	15.14	13.10	14.73	15.15	13.10	14.70
August 2015	16.45	11.01	12.41	16.50	10.95	12.45
September 2015	14.32	11.97	13.96	14.40	11.90	14.00
October 2015	22.70	13.96	19.93	22.70	13.95	19.90
November 2015	22.75	16.75	18.45	22.70	16.20	18.40
December 2015	19.40	16.45	17.80	19.40	16.40	17.80
January 2016	21.00	15.75	16.80	21.00	15.70	16.80
February 2016	17.80	12.65	14.75	17.80	12.00	14.80
March 2016	21.04	14.85	20.04	21.10	14.85	20.00

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, 2016 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, 2016 (See Table 15)

Table 15: Shareholding distribution as at March 31, 2016

Category	No. of shareholders	% of total holders	No. of Shares	% of Capital
Up to 5000	1,35,222	96.08	7,07,09,199	6.33
5001 to 10000	2,785	1.98	2,09,38,070	1.88
10001 to 20000	1,371	0.98	1,96,44,633	1.76
20001 to 30000	494	0.35	1,23,80,571	1.11
30001 to 40000	200	0.14	69,78,395	0.62
40001 to 50000	159	0.11	73,44,477	0.66
50001 to 100000	247	0.18	1,79,80,357	1.61
100001 and above	256	0.18	96,08,41,892	86.03
Total	1,40,734	100.00	1,11,68,17,774	100.00

Shareholding Pattern

Table 16 gives the shareholding pattern of the Company as at March 31, 2016

Table 16: Shareholding pattern as at March 31, 2016

Categories	March 31, 2016		March 31, 2015	
	No. of Shares	Percentage	No. of Shares	Percentage
Promoters	29,49,30,766	26.41	29,49,30,766	36.40
Mutual Funds/UTI	15,050	0.00	9,623	0.00
Financial Institutions/Banks	49,41,84,611	44.25	21,88,43,471	27.01
Insurance Companies	4,31,65,896	3.87	4,31,65,896	5.33
Foreign Institutional Investors	2,46,13,019	2.20	1,65,76,251	2.05
NRIs & OCBs	48,14,134	0.43	34,14,114	0.42
GDRs	--	--	4,00,000	0.05
Others	25,50,94,298	22.84	23,29,01,056	28.74
Total	1,11,68,17,774	100.00	81,02,41,177	100.00

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.

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. As per SEBI Order No.WTM/RKA/MIRSD2/41/2016 dated 22/03/2016, the Management has decided to switch over Registrar and Transfer Agent to Link Intime India Private Limited with effect from 06/05/2016. The Board of Directors have approved the appointment of new Registrar and Share Transfer Agent on 25/04/2016. They provide the entire range of services to the Shareholders of the Company relating to share transfers, change of address or mandate and dividend. The electronic connectivity with both the depositories - National Securities Depository Limited and Central Depository Services (India) Limited is also handled by Link Intime India Private Limited.

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 SEBI (LODR) Regulations, 2015 with regard to subsidiary companies have been complied with.

Plant locations

Sugar mills

1. Golagokarannath, Lakhimpur-Kheri, district Kheri, Uttar Pradesh
2. Palia Kalan, district Lakhimpur-Kheri, Uttar Pradesh
3. Kinauni, district Meerut, Uttar Pradesh
4. Thanabhawan, district 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
 Website: www.bajajhindusthan.com

AND/OR

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

By Post / Courier / Hand Delivery

Link Intime India Private Limited
 C 13 Pannalal Silk Mills Compound
 L.B.S. Marg,
 Bhandup (West)
 Mumbai - 400 078
 Tel. No. : +91-22-2596 3838
 Fax No. : +91-22-2594 6969
 Email: rnt.helpdesk@linkintime.co.in

Declaration

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

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

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

Mumbai
 May 30, 2016

Certificate

To the Members,
Bajaj Hindusthan Sugar Limited
(formerly Bajaj Hindusthan Limited)

We have examined the compliance of conditions of Corporate Governance by **BAJAJ HINDUSTHAN SUGAR LIMITED (formerly Bajaj Hindusthan Limited)**, for the year ended on 31st March, 2016, as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations").

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 Listing Regulations. 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 the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations.

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

Jignesh Mehta
 Partner
 Membership No. 102749

Mumbai
 May 30, 2016

Management Discussion and Analysis

I. Global scenario

Production

After 4 years of consecutive surplus sugar scenario in demand supply global balance sheet, current year 2015-16 (Oct – Sept) is estimated to be the year with sizeable deficit.

As per Czarnikow (leading international analyst), global sugar deficit during sugar year 2015-16 (Oct – Sept) is estimated at 11.4 million MT which has been revised upwards from an earlier forecast of a deficit of 8.2 million MT made in December.

As per Czarnikow, deficit of same magnitude is expected during the year 2016-17 also. While sugar production has stagnated in recent years, consumption has continued to grow. Global sugar production in the year 2015-16 would barely exceed 174 million MT as against 187 million MT last year.

This figure of 174 million MT is worst production in last 5 years due to poor weather conditions and 4 years of declining price returns for producers.

Sugar deficit estimates of other analysts for the year 2015-16 (Oct – Sept) are as under:-

Kingsman	: 7.60 million MT
Green Pool	: 6.65 million MT
Rabobank	: 6.80 million MT
FO Licht	: 8.00 million MT
Czarnikow	: 11.4 million MT
Olam	: 6.90 million MT

So, year 2015-16 (Oct – Sept) will be sugar deficit year on global basis mainly on account of weather issues (El Niño during previous year) and depressed and record low sugar prices during last 2-3 years.

Table 1 : World sugar balance

(1000 metric tonnes, raw value)

Year (October-September)	Production	Import	Consumption	Export	End Stock
2010-11	154927	53870	153254	53867	62988
2011-12	164629	54325	158034	54322	69586
2012-13	172029	60600	164384	60605	77226
2013-14	171386	57957	165391	57958	83220
2014-15	172753	54474	169385	55124	85938

Source : ISMA handbook

Major sugar producing countries during last three years

Table 2 : World production

A list of major sugar producing countries during the year 2012-13, 2013-14 & 2014-15 is as under:-

(1000 metric tonnes, raw value)

Name of country	2012-13	2013-14	2014-15
Brazil	39186	37811	34625
India	25315	24396	28200
China (Taiwan)	12784	12791	10556
Thailand	9596	11284	11300
U.S.A.	7619	7169	7144
Mexico	6991	6021	5985
Pakistan	5097	5960	5200
Australia	4879	4012	4450
Germany	3819	3121	4050

(1000 metric tonnes, raw value)

Name of country	2012-13	2013-14	2014-15
France	3941	3815	4418
Russia	4506	4772	4800
Indonesia	2525	2528	2525
Philippines	2472	2480	2320
Argentina	1833	1749	2025
Colombia	1950	2404	2405
South Africa	2206	2464	2110
Guatemala	2700	2858	2890
Poland	1764	1713	1985
Turkey	2185	2368	2245
Ukraine	2377	1582	2100
Egypt	1920	1924	1920
Cuba	1540	1600	1900
United Kingdom	994	1213	1446
Vietnam SR	1590	1590	1425

Source : ISMA handbook

Sugar price

The graphical movement of international sugar prices during April 2015 – March 2016 are depicted below:-

Chart 1 : ICE 11 – Movement of raw sugar price

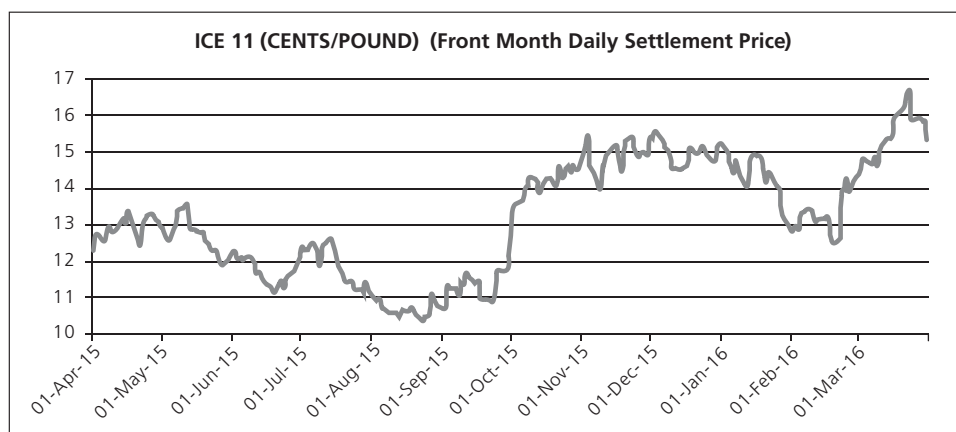
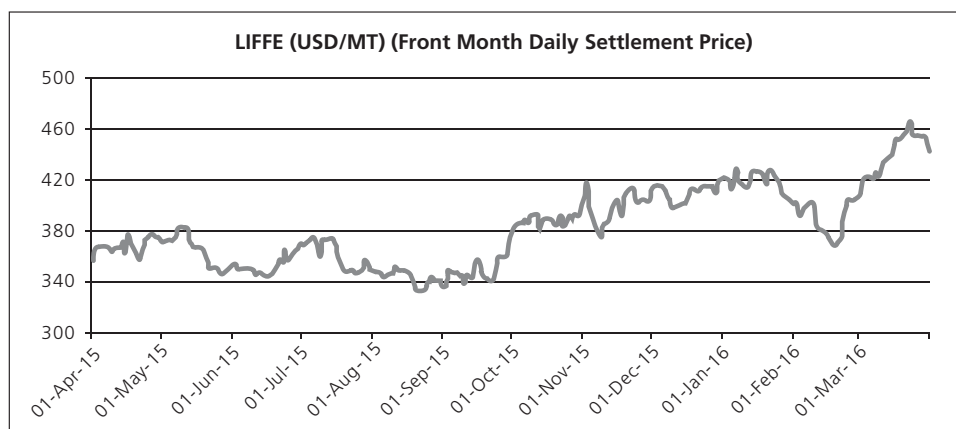


Chart 2 : LIFFE – Movement of white sugar price



From above international exchange daily sugar price charts, following may be observed :-

ICE 11: During the period April 2015 – March 2016, ICE 11 front month daily settlement price (raw sugar prices) started from the level of 12.3 cents / pound in April 2015 and closed at the level of 15.4 cents as on March 31, 2016.

ICE 11 sugar prices touched the low of 10.35 cents / pound during August 2015 (lowest level of prices in last 07 years) and highest levels were 16.7 cents during March 2016.

LIFFE: LIFFE (white sugar prices) front month daily settlement price has moved from the level of 358 USD/MT as on April 01, 2015 to the level of 448 USD/MT prevailing as on March 31, 2016.

White sugar prices have touched the high of 467 USD/MT during March 2016 and lowest levels of 333 USD/MT during August 2015.

It may be concluded that in last 1 year (i.e. April 2015 – March 2016), both raw sugar and white sugar prices have increased by almost 25%.

Rise in prices

The reasons for such rise in sugar prices are as under:-

El Niño: El Niño factor affecting the sugar production in all major sugar producing countries including Thailand, India, China, EU, etc.

Anticipation of deficit in world balance sheet

2015-16 (October-September) is anticipated as big deficit year after 4 consecutive years of surplus sugar production years.

Recovery in Brazilian Real

During the year 2015-16, Brazilian Real has gone above 4.0 and thereafter has recovered at a level of 3.56 as on March 31, 2016 which has also helped the sugar prices to recover.

Unsustainable price levels

Price level of 12.0 cents or below is quite depressed price level, much below the cost of production and was not a sustainable price level for long.

It was just waiting for a trigger which was contributed in the form of weather concerns affecting sugar production worldwide and improved macro factors like strengthening of Brazilian Real, Indian Rupee, etc. and helped the sugar prices to recover.

II. Indian scenario

Like world sugar balance sheet, Indian sugar supply demand balance sheet, after 05 years of consecutive surplus, current year 2015-16 (Oct – Sept) is estimated to be a deficit year.

During next year 2016-17, consumption is estimated to grow, production is estimated to further decline which will widen the sugar deficit in the year 2016-17.

Dip in sugar production is mainly due to major downfall in sugar production in states like Maharashtra and Karnataka which received scanty rains.

Interestingly, Maharashtra and Karnataka are low cost sugar producing states and any dip in production in these states is supportive for hike in domestic sugar prices.

Policy initiative by the Government

Indian sugar production has continuously surpassed consumption since last 5 years i.e. from sugar year 2010-11 till the year 2014-15.

Due to continued surplus production, sugar stocks within the country had significantly increased and thus making the whole sentiments quite depressed.

Irony is that while, industry is required to pay fix cane price as fixed by Central Govt. / State Govt. in the form of F&RP / SAP (depending from state to state), sugar prices are left open to market forces, which remained under pressure till the year 2014-15 due to surplus production and high stocks.

Government also realised the problem of surplus sugar faced by industry and took various measures as under to move the surplus sugar out of system.

Incentive on exports of raw sugar (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 ₹ 4,000 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 ₹ 1,000 per MT on production and exports of raw sugar from Maharashtra.

Mandatory export of Sugar

Since the incentive on exports of sugar announced during February 2015 was actually announced very late and was not able to push significant export volumes out of system, Govt. decided to give mandatory export quotas to all sugar millers.

On September 18, 2015, Govt. announced mandatory export of 4.0 million MT sugar from country during the period October 01, 2015 – September 30, 2016. The quantity of 4.0 million MT was distributed amongst all India sugar millers in the form of mandatory quotas called Minimum Indicative Export Quotas (MIEQ) which was worked out on the basis of the average sugar production of last 3 years.

The only objective of giving mandatory export quotas was to move surplus sugar from the trade in form of exports, even if it is at a loss. Sugar millers were allowed to export any form of sugar out of country i.e. raw sugar, white sugar & refined sugar. Sugar millers were also allowed to get the sugar of other millers like costal millers exported through merchant exporter against their MIEQ's (Export Quotas).

Formation of committee to explore possibility of barter trade for sugar exports

Looking into depressed international prices of sugar, sugar export has not been viable from India and international demand was also quite weak. To encourage sugar exports from country, it was decided to explore the possibility of exporting of sugar in form of barter trade with major exporting countries to India like Indonesia, Iran, etc.

While, Govt. endeavour was very positive for the sugar industry and quite fair and one committee was also formed but it could not yield much of the results.

Cane subsidy

Govt. announced cane incentive @ ₹ 4.50 per qtl. payable directly to the farmers out of due cane payment of sugar millers to farmers.

The eligibility criteria for the availing cane subsidy was completion of 80% of the sugar export target by the miller and completion of 80% of ethanol supply quotas given by the Govt.

Sugar exports from country

During the year 2015-16 (October-September), country has exported a quantity of 1.4 million MT till date and it is expected that total exports during current year would be around 1.6 million MT.

All the above exports have taken place at a loss as compared to prevailing domestic sugar prices and these losses have been borne by respective sugar millers against their mandatory export quotas (MIEQ) allotted by the Govt.

During the year 2014-15 (October-September), exports on all India has been 1.09 million MT.

Sugar imports in country

To curb the imports of sugar in the country, the Government took following measures:-

- Increase in import duty to 25% during August 2014.
- Cabinet decision for 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.
- Withdrawal of scheme of Duty Free Import Authorisation (DFIA) for sugar as per cabinet decision on April 29, 2015.

All above decisions of the Govt. has ensured that no imports of sugar has taken place in country under OGL during the year 2014-15, otherwise it would have added to the woes of sugar industry already in deep waters.

Ethanol

Cabinet Committee of Economic Affairs (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 initially for the period up to November 2015 and then later on extended up to November 2016.

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

Table 3 : 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

Government is committed to promote ethanol blending programme and is taking measures to resolve the difficulties being faced in terms of tender conditions, state excise duty procedures and formalities.

Increase in blending percentage from 5% to 10%

In line with Govt. commitment to increase blending percentage from 5% to 10%, oil companies floated EOI during August 2015 for their requirement of 266 crore Litres Ethanol at 10% blending level on all India basis during December 2015 – November 2016.

Waiver of central excise duty on ethanol

On April 29, 2015, cabinet has allowed waiver of central excise duty on ethanol from sugar season 2015-16. Further during October 2015, Govt. allowed CENVAT credit on ethanol with nil central excise duty on ethanol. Since, delivered price of ethanol given by oil companies is fixed and is not variable with change in taxes and duties, this waiver has given additional saving of ₹ 5.0 per litre on ethanol to sugar industry.

Ethanol production from 'B' heavy molasses

Taking into account the depressed sugar prices continuing for last 3-4 years, Govt. encouraged the industry to increase ethanol production from 'B' heavy molasses. This step would have served two purposes. On one hand, it would have given additional availability of ethanol for blending. On other hand it would have regulated the sugar production during times of excess sugar production and thus solving problem of sugar surplus.

Linking cane subsidy with ethanol supplies

Basis, ethanol production capacity, Govt. had given ethanol targets to sugar industry which works out to 161.96 crore litres on all India basis. Govt. has linked cane subsidy @ ₹ 4.50 per qtl with ethanol supply and one of the eligibility criteria for cane subsidy is completion of 80% ethanol targets. In fact, Government had been pushing the industry to supply more ethanol for blending earlier also and had linked raw sugar incentive with the ethanol production. With raw sugar incentive, 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.

Sugar

Domestic production and consumption

During 2015-16 sugar year (October-September), domestic production of sugar this year is estimated to come down by almost 12% or even more. During the year 2015-16, sugar production is estimated to be around 25.0 million MT as against 28.3 million MT last year.

Table 4 : Domestic production and consumption

Particulars	2011-12	2012-13	2013-14	2014-15	2015-16
	Actual	Actual	Actual	Actual	Estimated
A. Opening stock as on Oct. 01	5.9	6.6	9.3	7.5	9.1
B. Production during season	26.3	25.1	24.4	28.3	25.0
C. Imports	0.0	0.7	0.1	0.0	0.0
D. Total supply availability	32.2	32.4	33.8	35.8	34.1
E. Offtake :					
a) Internal consumption	22.6	22.8	24.2	25.6	25.6
b) Exports	3.0	0.3	2.1	1.1	1.5
Total offtake	25.6	23.1	26.3	26.7	27.1
F. Closing stock as on Sept. 30	6.6	9.3	7.5	9.1	7.0

Table 5: Actual sugar production

STATE	Current Year (2015-16) (Till April 30, 2016)	Previous Year (2014-15) (Till April 30, 2015)	Change in Production (%)
Maharashtra	8.37	10.35	-19.06
UP	6.80	7.04	-3.44
Karnataka	4.04	4.80	-16.00
Tamil Nadu	1.05	0.95	10.76
Others	4.34	4.46	-2.69
All India	24.60	27.60	-10.87

Table 6 : Number of mills in operation as on April 30, 2016

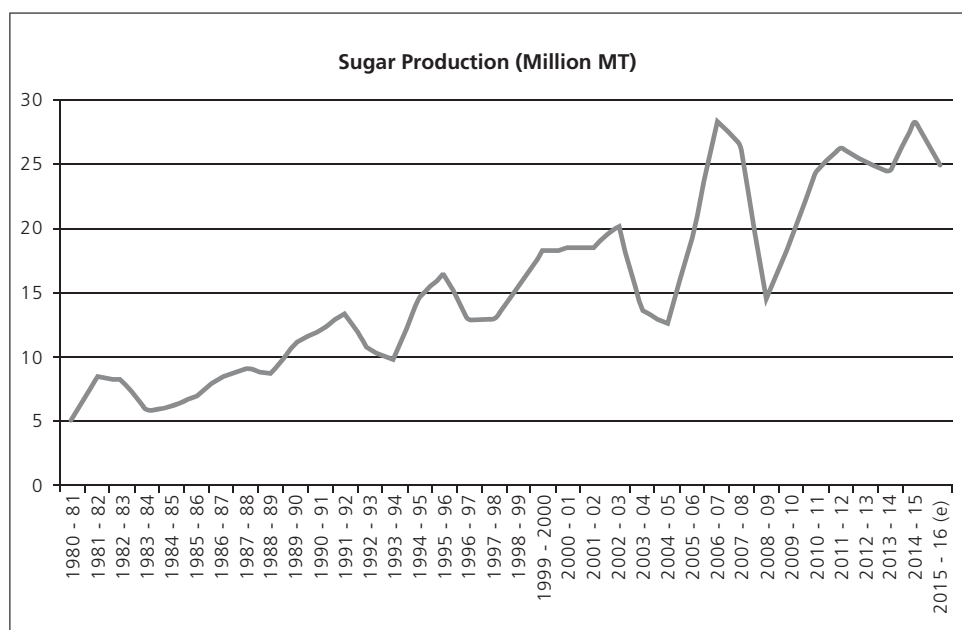
STATE	Current Year (2015-16) (Till April 30, 2016) No. of Mills	Previous Year (2014-15) (Till April 30, 2015) No. of Mills
Maharashtra	5	30
UP	1	14
Karnataka	2	17
Tamil Nadu	35	23
Others	5	13
All India	48	97

Total sugar production during 2015-16 on all India basis is estimated at 25.0 million MT.

For world sugar prices, it has been seen that India has been a big swing factor because depending upon demand supply situation within the country / prevailing prices, country becomes net importer / exporter of sugar.

It has been seen whenever India exports sugar, it is bearish for world market and India entering the market for import of sugar helps the international prices to firm up.

During the year, India is expected to export 1.5 million MT of sugar and next year country is expected to import 2.0 – 3.0 million MT of sugar which means India will be influencing the world market by 3.5 – 4.5 million MT of sugar which is a big number and will further help the international sugar prices to firm up.

Chart 3 : The sugar production pattern since 1980 given below:-

Source : ISMA

IMPROVED PROSPECTS FOR SUGAR TRADE DURING THE YEAR 2015-16

Sugar Industry is witnessing improved trade prospects during current sugar year Oct – Sept (2015-16) as under :

Improved domestic sugar prices

For last 3-4 years, domestic sugar prices were continuing to be quite depressed and much below the production cost of sugar.

During the year 2015-16, domestic sugar prices has improved, though sugar prices are required for further improvement to bail out the sugar industry.

Major reasons for improvement in domestic sugar prices are as under :

Estimated deficit in country's demand-supply balance sheet

After 5 years of consecutive surplus production in country leading to high stocks, year 2015-16 (Oct – Sept) is estimated to be deficit year when sugar production is estimated to be 25.0 million MT as against consumption of 25.6 million MT and estimated exports of 1.5 million MT.

Estimated deficit in world balance sheet

In line with Indian sugar balance sheet, after 4 years of consecutive surplus in world sugar balance sheet, year 2015-16 (Oct – Sept) will be first year of deficit with significantly high deficit.

Year 2016-17 is also estimated to be deficit year on global basis with deficit of similar quantum as in 2015-16.

Bigger deficit in year 2016-17 (Oct – Sept)

Due to poor acreage in states of Maharashtra and Karnataka due to drought conditions during 2015, year 2016-17 is estimated to witness further decline of production by another 2 – 3 million MT means production of 22 – 23 million MT. So on one hand production will come down, on the other hand, consumption is estimated to increase to the level of 26.0 million MT which means depletion of stocks by 3.0 to 4.0 million MT, unless imported.

Improvement in recovery of sugar in state of U.P.

During the sugar year 2015-16, sugar recovery from cane in state of U.P. has also significantly improved from last year level of 9.54% to this year level of 10.6% due to Industry's efforts for cane development, increased availability of better variety of cane and also perfect and ideal weather conditions.

Import of sugar

Due to estimated deficit in country's sugar balance sheet during the year 2016-17, India is set to import sugar October 2016 onwards to the tune of 2.0 – 3.0 million MT of sugar.

Import of sugar will mainly be done by port-based refineries, states of Maharashtra and Karnataka where there is major shortfall in production and also by inland sugar mills in a limited way.

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. During the sugar year (Oct – Sept) 2015-16, the results of continued investment in cane development are also visible in the form of increased availability of better variety of cane and better sugar recovery. BHSL sees cane development as major thrust area to improve the revenue generation and is continuously striving towards it.

The major area of concern is the ability to make timely cane price payment to farmers given the unremunerative sugar realisations in the domestic market and further exaggerated 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. Due to continued surplus production and high stocks in country, market has continuously witnessed depressed sugar prices much lower than the cost of production. It is during 2015-16 that sugar prices has started improving on account of lower production and estimated deficit in demand supply balance sheet.

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 derisking our business with the investment in power generation capacity. This business is non-cyclical and therefore expected to generate steady cash flows year on year. Further, sustained ethanol supplies to oil companies has provided some element of risk mitigation.

Table 7 : Market share of BHSL in U.P. and on all India basis for sugar production:-

Particulars	Unit	Year (October-September)		
		2013-14	2014-15	2015-16
BHSL production	Million MT	1.07	1.15	1.05
UP production	Million MT	6.50	7.10	6.80
All India production	Million MT	24.40	28.31	25.00
BHSL % of UP	%	16.44	16.21	15.46
BHSL % of all India	%	4.38	4.07	4.21

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 8 : Zonewise details of crushing capacity

ZONE	NO. OF MILLS	CRUSHING CAPACITY (TCD)
WEST	5	48000
CENTRAL	5	48000
EAST	4	40000
TOTAL	14	136000

Markets

West U.P.: Sugar produced by our west UP mills is sold in the region of west UP and neighbouring states in northern India like Punjab, Haryana, Rajasthan and Delhi etc.

Central U.P.: Sugar produced by our central UP mills is sold in central U.P., 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.

No competition from sugar imports :

Due to continued surplus sugar production and high stocks, depressed and all time low international sugar prices, Govt. has imposed import duty of 40% restricting sugar imports.

However, during the year 2016-17 due to estimated deficit in country, country will be required to import sugar and thus import parity will influence domestic sugar prices also.

Table 9 : High & Low Price of Sugar - BHSL

Months	Unit : ₹ / Qtl.	
	High	Low
April '15	2702	2436
May '15	2700	2366
June '15	2475	2206
July '15	2310	2111
August '15	2619	2135
September '15	2543	2331
October '15	2795	2413
November '15	2748	2549
December '15	3080	2549
January '16	3187	2851
February '16	3201	2884
March '16	3415	2886

- Refined sugar was not taken in consideration.
- Only M-31 50 Kg rate was taken.
- Farmer dispatches rate was not taken.
- Sugar dispatches through rake was not considered as the sale was confirmed on January and dispatches took place in next month.

Internal control system and their adequacy

Preparing reliable financial information is a key responsibility of the management of every company. The ability to effectively manage the company's business requires access to timely and accurate information. Moreover, investors must be able to

place confidence in a company's financial reports. Management's ability to fulfil its financial reporting responsibilities depends in part on the design and effectiveness of the internal controls, processes and safeguards, which it has put in place. The internal audit function has to be commensurate with the size of business. The system has to ensure that all the transactions are authorised, recorded & reported correctly. Without such controls, it would be extremely difficult for most business organisations - especially those with numerous locations, operations, and processes - to prepare timely and reliable financial reports for management, investors, lenders, and other users. An effective system of internal control over financial reporting can substantially reduce the risk of misstatements and inaccuracies in a company's financial statements. Over the time, an effective internal control over financial reporting has become a legal obligation.

Bajaj Hindusthan Sugar has a strong & independent internal audit function. Through internal controls & policies, management sends a message down the line that the operations managers must ensure that all operations within their area are compliant and adequate to safeguard assets and protect them from any loss against the risks due to unauthorised use or disposition. Internal audit function in our company is conducted by in-house team; with one zonal coordinator & one support staff in each of the 3 zones, who are responsible for facilitating audit, arranging unit comments from auditee & implementation of audit recommendations. 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.

The internal audit team carries out audit effectively throughout the year covering all areas of operations and activities as approved by the audit committee. 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 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, 2016, BHSL had 7,149 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 an average, 20-25 persons attend 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 upgradation 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 skill set with relevant, up to date information and techniques learned in an environment that is familiar 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 grows 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 gives impact to their productivity. During the year 2015-16, HR dept. of Bajaj Group had organised various training programmes 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 powerpoint 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 (1st May), Zonal Cricket Tournament, various types 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 the 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 'Charkha' (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

- General medical check-up, eye check-up, Hepatitis-B vaccination camps in factory campus and also in neighbouring villages, etc.
- Woollen clothes & blanket distribution among under-privileged class of surrounding areas.
- Kanwar Seva Shivir on Mahashivratri Parv.
- Distributing organic manure at subsidised rates to the farmers.
- In winters, lighting Alao at every Chauraha by distributing bagasses.
- Fogging & spray for mosquito in nearby villages.
- Blood donation camp.
- 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 to them on payment. Among the beneficiaries, there were various outsider 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, 2015 to March 31, 2016.

Table 10 : Operational data

Particulars	Unit	Year ended March 31, 2016	Year ended March 31, 2015
Cane crushing	MMT	10.922	12.107
Sugar recovery	%	10.32	9.38
Sugar production	MT	11,36,070	11,37,815
Industrial alcohol production	KL	1,25,310	1,25,463
Molasses production	MT	5,33,219	6,14,634
Power generation	MW	6,86,685	7,78,057

During the year, the production of sugar from sugarcane has decreased to 11,36,070 MT as compared to 11,37,815 MT during the previous year. The production of molasses was at 5,33,219 MT as compared to 6,14,634 MT in the previous year. The industrial alcohol / ethanol production was at 1,25,310 KL as compared to 1,25,463 KL in the previous year. Power generation was at 6,86,685 MW as compared to 7,78,057 MW in the previous year. Average recovery of sugar from sugarcane increased to 10.32% during the current year as compared to 9.38% in the previous year.

Results of operations**Table 11 : Summarised financial results**

₹ Crore

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Revenue	4,689.20	4,570.12
Earnings before interest, depreciation and tax (EBIDTA)	800.57	(115.73)
Finance costs (net)	690.87	741.55
Cash profits	109.70	(857.28)
Depreciation & amortisation	223.98	239.94
Profit/(Loss) before tax	(114.28)	(1,097.22)
Tax expenses	-	-
Profit/(Loss) after tax	(114.28)	(1,097.22)
Basic and Diluted earnings per share (₹)	(1.24)	(17.14)

Turnover

During the year ended March 31, 2016, the company's total revenue was ₹ 4,689.20 crore as against ₹ 4,570.12 crore in the previous year.

Analysis of sales

During the year, the company sold 12,96,466 MT of sugar as against 12,39,186 MT during the previous year. The company sold 1,17,968 MT of molasses as against 33,684 MT in the previous year. However, alcohol/ethanol sales during the year was at 1,42,846 KL as against 1,09,389 KL during the previous year.

The company exported 2,66,106 MW of power during the year as against 3,29,277 MW during the previous year.

Product-wise sales quantity, value and per unit realisation details are given in Table 12:

Table 12 : Sales revenue

Particulars	Year ended March 31, 2016				Year ended March 31, 2015		
	Unit	Qty	Value ₹ Crore	Realisation* ₹/MT/KL/ MW	Qty	Value ₹ Crore	Realisation* ₹/MT/KL/MW
Sugar	MT	12,96,466	3,649.58	28,150	12,39,186	3,728.71	30,090
Alcohol/Ethanol	KL	1,42,846	594.41	41,612	1,09,389	435.21	39,785
Molasses	MT	1,17,968	26.97	2,286	33,684	14.81	4,394
Power	MW	2,66,106	133.10	5,002	3,29,277	154.76	4,700

* 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 sugar season 2014-15 of ₹ 329.99 crore, sale of renewable energy certificates of ₹ 36.62 crore, lease rent of ₹ 10.12 crore, sale of scrap of ₹ 3.02 crore, duty drawback of ₹ 2.12 crore, sale of export license of ₹ 62.46 crore and other miscellaneous operating income.

Other income

Other income for the current year was ₹ 5.97 crore against ₹ 38.66 crore in the previous year.

Other expenses

During the year, other expenses were ₹ 307.56 crore as against ₹ 372.72 crore in the previous year.

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

The EBIDTA increased for the current year at ₹ 800.57 crore as against ₹ (-) 115.73 crore in the previous year.

Finance costs

Comparative decrease in interest expense was due to lower interest rates and decrease in loans.

Depreciation & amortisation

The depreciation for the current year was at ₹ 223.98 crore as against ₹ 239.94 crore in the previous year.

Tax expenses

In the absence of profits, no provision for current tax has been made in the current year as well as in the previous year.

Balance sheet

The summarised balance sheet as at March 31, 2016 is given in Table 13.

Table 13 : Summarised balance sheet

₹ Crore		
As at	March 31, 2016	March 31, 2015
EQUITY AND LIABILITIES		
Shareholders' funds		
Share capital	111.68	81.02
Reserves and surplus	2,247.56	1,725.75
Sub total	2,359.24	1,806.77
Non-current liabilities		
Long-term borrowings	6,345.98	7,111.34
Long-term provisions	29.02	26.58
Sub total	6,375.00	7,137.92
Current liabilities		
Short-term borrowings	36.45	146.21
Trade payables - Micro & Small Enterprises	0.77	0.57
Trade payables - Others	2,194.95	2,789.27
Other current liabilities	766.17	102.04
Short-term provisions	120.64	93.79
Sub total	3,118.98	3,131.88
TOTAL	11,853.22	12,076.57
ASSETS		
Non-current assets		
Fixed assets		
Tangible assets	4,669.26	4,889.82
Intangible assets	0.00	0.00
Capital work-in-progress	18.74	8.26
Non-current investments	2,281.71	2,281.71
Long-term loans and advances	40.64	48.08
Other non-current assets	3.83	3.66
Sub total	7,014.18	7,231.53
Current assets		
Inventories	1,924.12	2,179.29
Trade receivables	308.72	168.99
Cash and bank balances	117.09	88.07
Short-term loans and advances	1,913.61	1,773.83
Other current assets	575.50	634.86
Sub total	4,839.04	4,845.04
TOTAL	11,853.22	12,076.57

Share capital

During the year, 30,65,76,597 equity shares of ₹ 1/- have been issued at a premium of ₹ 20.77 per share for consideration other than cash to lender banks upon conversion of Funded Interest Term Loan (FITL) as per Master Restructuring Agreement (MRA).

Reserves and surplus

Reserves and surplus has been increased to ₹ 2,247.56 crore as at March 31, 2016 from ₹ 1,725.75 crore as at March 31, 2015 mainly due to increase of securities premium by ₹ 636.09 crore (net of related issue expenses) on issue of 30,65,76,597 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), and current year loss of ₹ 114.28 crore.

Long-term borrowings

Long-term borrowings was at ₹ 6,345.98 crore as at March 31, 2016 as against ₹ 7,111.34 crore in the previous year ended March 31, 2015.

Short-term borrowings

Short-term borrowings stood at ₹ 36.45 crore as at March 31, 2016 as against ₹ 146.21 crore in the previous year ended March 31, 2015.

Fixed assets

Gross Block has decreased to ₹ 7,290.60 crore from ₹ 7,288.97 crore, on account of routine capitalisation/de-capitalisation during the year. The net block stood at ₹ 4,669.26 crore as against ₹ 4,889.82 crore.

Investments

There was no change in investments.

Inventories

The inventory of sugar at the end of the current year was 5,26,758 MT equivalent to 149 days' sales as compared to 203 days' sales in the previous year. Alcohol inventory at the end of the current year was 32,835 KL equivalent to 84 days' sales as compared to 171 days' sales in the previous year.

In view of expected volume growth, the inventory liquidation is monitored very closely and the company does not foresee any difficulty in selling the products manufactured by it.

Debtors

The debtors at the end of the current year were equivalent to 23 days' of sales as compared to 13 days' of sales in the previous year ended March 31, 2015. The increase was due to increased volume of sugar sale and increased outstanding of power sale with UPPCL.

Significant non-recurring income, expenditure and other items

Income

Gain on sale of assets ₹ 0.80 crore, provision no longer required/credit balance appropriated ₹ 1.81 crore and miscellaneous receipts ₹ 3.35 crore were of a non-recurring nature.

Expenditure

The loss on assets sold/discarded ₹ 0.33 crore is of a non-recurring nature.

Contingent liabilities

The status of contingent liabilities as at March 31, 2016 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, 2016 are given in Table 14:

Table 14 : Cane crushing, sugar recovery and sugar production

Plant Location	Zone	2015-16			2014-15		
		Cane Crushing (MMT)	Sugar Recovery (%)	Sugar Production (Tonnes)	Cane Crushing (MMT)	Sugar Recovery (%)	Sugar Production (Tonnes)
Gola Gokarannath	Central UP	1.390	11.03	1,55,247	1.369	9.77	1,34,278
Palia Kalan	Central UP	1.081	9.63	1,06,122	1.153	9.13	1,03,206
Khambarkhera	Central UP	1.060	11.01	1,18,478	1.041	9.83	1,00,648
Barkhera	Central UP	0.475	10.03	47,675	0.670	9.30	62,286
Maqsoodapur	Central UP	0.422	11.46	48,408	0.542	10.06	54,513
Kinauni	Western UP	1.477	9.75	1,45,242	1.450	9.15	1,32,752
Thanabhawan	Western UP	0.804	9.67	78,912	0.921	8.96	82,855
Budhana	Western UP	1.218	9.91	1,20,828	1.245	9.33	1,16,182
Bilal	Western UP	1.083	10.79	1,16,924	0.976	10.07	98,145
Gangnauli	Western UP	0.323	9.97	32,188	0.460	8.86	40,848
Pratappur	Eastern UP	0.132	10.16	13,387	0.288	9.20	27,075
Rudauli	Eastern UP	0.357	10.42	37,199	0.415	8.90	37,768
Utraula	Eastern UP	0.455	10.55	48,014	0.627	9.19	58,659
Kundarkhi	Eastern UP	0.645	10.45	67,446	0.950	9.16	88,600
Total		10.922	10.32	11,36,070	12.107	9.38	11,37,815

Distillery division

The distillery division produced 1,25,310 KL of industrial alcohol/ethanol during the current year against 1,25,463 KL in the previous year. Likewise alcohol/ethanol sales aggregated during the current year at 1,42,846 KL against 1,09,389 KL in the previous year. In value terms, the sale of industrial alcohol/ethanol during the year is ₹ 594.41 crore as against ₹ 435.21 crore in the previous year.

Power division

The sale of power was recorded at ₹ 133.10 crore in the current year as against ₹ 154.76 crore in the previous year. The company continued optimal use of co-gen capacities with better planning.

Board division

The operations at all plants of board division were suspended due to non-availability of adequate quantity of sugarcane bagasse at affordable prices and inadequate demand of the products in the market.

Accounting policies

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, 2016 – 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 review of the financial statements and the cash flow statement for the financial year ended March 31, 2016 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, 2016, 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 30, 2016

Independent Auditors' Report

To The Members of Bajaj Hindusthan Sugar Limited (Formerly Bajaj Hindusthan 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, 2016, 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.

Auditor's 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. 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, 2016, and its loss and its cash flows for the year ended on that date.

Emphasis of matter

As stated in Note 41 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 note and in view of long term nature of these investments, in the opinion of the management no provision for permanent diminution in value of these investments is considered necessary.

Report on other legal and regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of Sub-section (11) of Section 143 of the Act, we give in the Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
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 matter described in the Emphasis of Matter paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.
 - d. 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.
 - e. 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.
 - f. On the basis of written representations received from the directors as on March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of Section 164(2) of the Act.
 - g. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - h. With respect to the other matters to be included in the Auditor's Report in accordance with 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 35 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 has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

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

Jignesh Mehta
Partner
Membership No. 102749

Mumbai
Dated: May 30, 2016

Annexure “A” 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 :

- The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets on the basis of available information.
- 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.
- According to the information and explanations given to us, the immovable properties of the Company have been mortgaged with the lenders and the original title deeds are deposited with the lender's trustee. Based on the confirmation given by the trustee and verification of the copies of the title deeds / lease deeds in respect of immovable properties of free hold land, buildings, immovable properties of land that have been taken on lease and disclosed as fixed assets in the financial statement are held in the Company's name or in the Company's erstwhile name or in the name of companies amalgamated with the Company in past as at balance sheet date.

ii) In respect of its inventories :

As explained to us, physical verification of inventories have been conducted at reasonable intervals by the management, which in our opinion is reasonable, having regard to the size of the Company and nature of its inventories. No material discrepancies noticed on such verification of inventories as compared to the book records.

iii) On the basis of the audit procedures applied by us, and according to the information and explanations given to us on our enquiries on this behalf and records produced to us for our verification, the Company has not given loans and advances to companies covered in the register maintained under Section 189 of the Act.

iv) In respect of loans, investments, guarantees and security, the Company has complied with the provisions of Sections 185 and 186 of the Act.

v) According to the information and explanations given to us, the Company has not accepted any deposits within the meaning of provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Therefore, the provisions of Clause (v) of paragraph 3 of the Order are not applicable to the Company.

vi) To the best of our knowledge and as explained, the Company has maintained the cost records specified under Companies (Cost Records and Audit) Rules, 2014 issued under sub section (1) of Section 148 of the Act, in respect of Company's products to which said rules are made applicable and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the records with a view to determine whether they are accurate.

vii) In respect of Statutory dues :

- According to the records of the Company, undisputed statutory dues including Provident Fund, Income-Tax, Sales-Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other statutory dues applicable to it have been 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, 2016 for a period of more than six months from the date of becoming payable.
- 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, Service Tax, Customs Duty and Excise Duty/Cess not deposited with the appropriate 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	27.26	Various Years from 1997-98 to 2014-15	Deputy/ Joint Commissioner/ Commissioner (Appeals)
		48.76	Various Years 1982-83 to 2013-14	Sales Tax Appellate Tribunal
		1.80	Various Years from 1989-90 to 2010-11	High Court
Central Excise Act, 1944	Excise and Service Tax	0.21	Various Years from 2005-06 to 2012-13	Commissioner of Central Excise (Appeals)
		126.14	Various Years from 2005-06 to 2012-13	Central Excise and Service Tax Appellate Tribunal
		1.03	Various Years from 2005-06 to 2013-14	High Court
		5.59	Various Years from 2004-05 to 2005-06	Supreme Court
Income Tax Act, 1961	Income Tax	9.59	Assessment Year 2006-07 & 2007-08	Commissioner of Income Tax (Appeal)
	Total	220.38		

- viii) Based on our audit procedures, information and explanations given by the management and considering the corrective action plan for restructuring of 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, banks and government. The Company has not issued debentures.
- ix) The Company has not raised money by way of initial public offer or further public offer (including debt instruments) or term loan during the year and hence clause (ix) of paragraph 3 of the Order is not applicable to the Company.
- x) Based on the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- xi) In our opinion and according to the information and explanations given to us, managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause (xii) of paragraph 3 of the Order are not applicable to the company.
- xiii) In respect of transactions with related parties:
In our opinion and according to the information and explanations given to us, all transactions with related parties are in compliance with Sections 177 and 188 of the Act and their details have been disclosed in the financial statements etc., as required by the applicable accounting standards.
- xiv) In our opinion and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of fully or partly convertible debentures during the year and hence clause (xiv) of paragraph 3 of the Order is not applicable to the Company.
- xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transaction with the directors or persons connected with him and covered under Section 192 of the Act. Hence, clause (xv) of the paragraph 3 of the Order is not applicable to the Company.
- xvi) To the best of our knowledge and as explained, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

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

Jignesh Mehta
Partner
Membership No. 102749

Mumbai
Dated: May 30, 2016

Annexure "B" to the Independent Auditors' Report

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

We have audited the Internal Financial Control over financial reporting of Bajaj Hindusthan Sugar Limited ("the company") as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year then ended.

Management responsibility for the Internal Financial Controls

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

Auditor's responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

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

Jignesh Mehta
Partner
Membership No. 102749

Mumbai
Dated: May 30, 2016

Balance Sheet as at March 31, 2016

Particulars	Note	As at March 31, 2016 ₹ Crore	As at March 31, 2015 ₹ Crore
EQUITY AND LIABILITIES :			
Shareholders' funds			
Share capital	3	111.68	81.02
Reserves and surplus	4	2,247.56	1,725.75
Sub total		2,359.24	1,806.77
Non-current liabilities			
Long-term borrowings	5	6,345.98	7,111.34
Long-term provisions	7	29.02	26.58
Sub total		6,375.00	7,137.92
Current liabilities			
Short-term borrowings	8	36.45	146.21
Trade payables - Micro and small enterprises	9	0.77	0.57
Trade payables - Others	9	2,194.95	2,789.27
Other current liabilities	10	766.17	102.04
Short-term provisions	11	120.64	93.79
Sub total		3,118.98	3,131.88
Total		11,853.22	12,076.57
ASSETS :			
Non-current assets			
Fixed assets			
Tangible assets	12	4,669.26	4,889.82
Intangible assets	12	-	0.00
Capital work-in-progress	12	18.74	8.26
Non-current investments	13	2,281.71	2,281.71
Deferred tax assets (net)	6	-	-
Long-term loans and advances	14	40.64	48.08
Other non-current assets	15	3.83	3.66
Sub total		7,014.18	7,231.53
Current assets			
Inventories	16	1,924.12	2,179.29
Trade receivables	17	308.72	168.99
Cash and bank balances	18	117.09	88.07
Short-term loans and advances	19	1,913.61	1,773.83
Other current assets	20	575.50	634.86
Sub total		4,839.04	4,845.04
Total		11,853.22	12,076.57

See accompanying notes (1 to 46) to the financial statements.

As per our report of even date

For Chaturvedi & Shah

Firm Registration No.101720W
Chartered Accountants

Jignesh Mehta

Partner
Membership No. 102749

Ved Prakash Agrawal

Chief Financial Officer
M. No. F070449

Pradeep Parakh

Group President (GRC) &
Company Secretary
M. No. F6171

M. L. Apte

Independent Director
DIN: 00003656

R. V. Ruia

Independent Director
DIN: 00035853

D. K. Shukla

Independent Director
DIN: 00025409

For and on behalf of the Board

Kushagra Bajaj

Chairman & Managing Director
DIN: 00017575

Alok Krishna Agarwal

Independent Director
DIN: 00127273

Vipulkumar S. Modi

Independent Director
DIN: 06985276

Ashok Kumar Gupta

Director
(Group Operations)
DIN: 02608184

Kiran Anuj

Director
DIN: 02606822

Mumbai, May 30, 2016

Statement of Profit and Loss for the year ended March 31, 2016

Particulars	Note	Year ended March 31, 2016 ₹ Crore	Year ended March 31, 2015 ₹ Crore
INCOME :			
Revenue from operations	21	4,683.23	4,531.46
Other income	22	5.97	38.66
Total Income		4,689.20	4,570.12
EXPENSES :			
Purchases and materials consumed	23	3,127.29	3,704.54
Changes in inventories of finished goods and work-in-progress	24	250.91	432.75
Employee benefits expense	25	202.87	179.67
Finance costs (net)	26	690.87	741.55
Depreciation and amortisation expense	27	223.98	239.94
Other expenses	28	307.56	372.72
Total Expenses		4,803.48	5,671.17
Profit/(Loss) before exceptional items and tax		(114.28)	(1,101.05)
Exceptional Items		-	(3.83)
Profit/(Loss) before tax		(114.28)	(1,097.22)
Tax expenses			
Current tax		-	-
Deferred tax		-	-
Profit/(Loss) after tax		(114.28)	(1,097.22)
Earnings per equity share of face value of ₹1/- each			
Basic and Diluted	36	(1.24)	(17.14)

See accompanying notes (1 to 46) to the financial statements.

As per our report of even date

For Chaturvedi & Shah

Firm Registration No.101720W
Chartered Accountants

Jignesh Mehta

Partner
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(Group Operations)
DIN: 02608184

Kiran Anuj

Director
DIN: 02606822

Mumbai, May 30, 2016

Cash Flow Statement for the year ended March 31, 2016

Particulars	Year ended March 31, 2016 ₹ Crore	Year ended March 31, 2015 ₹ Crore
A. Cash flow from operating activities:		
Net profit/ (loss) before tax	(114.28)	(1,097.22)
Adjustment for:		
Depreciation and amortisation	223.98	239.94
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	(0.89)	(14.67)
Loss/ (surplus) on sale of fixed assets (net)	(0.46)	(2.28)
Finance costs	840.88	888.94
Profit on sale of non current investment	-	(25.20)
Interest income	(150.01)	(147.39)
Employees' compensation expenses (ESOP Cost)	-	(13.54)
	913.50	779.06
Operating profit/ (loss) before working capital changes	799.22	(318.16)
Adjustment for:		
Trade and other receivables	(118.63)	(43.23)
Inventories	255.17	494.21
Trade and other payables	(561.96)	(495.87)
Cash generated from operations	373.80	(363.05)
Direct taxes paid	3.09	15.32
Net cash from/ (used in) operating activities	376.89	(347.73)
B. Cash flow from investing activities:		
Purchase of fixed assets	(12.74)	(14.90)
Sale of fixed assets	0.97	8.41
Movement in loans and advances	-	(214.37)
Interest received	4.10	27.67
Net cash (used in) investing activities	(7.67)	(193.19)
C. Cash flow from financing activities:		
Proceeds from long-term borrowings	25.26	457.23
Repayment of long-term borrowings	(331.56)	(431.34)
Proceeds from short-term borrowings (net of repayments)	-	837.14
Share issue expenses	(0.67)	(0.41)
Interest paid	(80.95)	(387.44)
Dividend paid (including tax thereon)	(0.06)	(0.10)
Net cash from/ (used in) financing activities	(387.98)	475.08
Net increase/(decrease) in cash and cash equivalents	(18.76)	(65.84)
Cash and cash equivalents (opening balance)	59.93	125.77
Cash and cash equivalents (closing balance) - refer Note 18	41.17	59.93

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 Chaturvedi & Shah

Firm Registration No. 101720W
Chartered Accountants

Jignesh Mehta

Partner
Membership No. 102749

Ved Prakash Agrawal

Chief Financial Officer
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Director
(Group Operations)
DIN: 02608184

Kiran Anuj

Director
DIN: 02606822

Mumbai, May 30, 2016

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:

- a) it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is expected to be realised within 12 months after the reporting date; or
- d) 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:

- a) it is expected to be settled in the Company's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is due to be settled within 12 months after the reporting date; or
- d) 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 counterparty, 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:

- (i) 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.
- (ii) The revenue from sale of renewable energy certificates (REC) recognised in the year of sale.
- (iii) Export incentives accrued under foreign trade policy are 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 free hold 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 recognised 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 reassure 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 recognised, 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. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. An impairment loss is charged to the statement of profit and loss in the year in which an asset is identified as impaired. An impairment loss recognised in prior accounting periods is reversed if there has been change in the estimate of the recoverable amount.

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 Liabilities are not recognised but are disclosed in the Financial Statements. 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 March 31, 2016 ₹ Crore	As at March 31, 2015 ₹ Crore
3. Share capital		
Authorised:		
2,71,00,00,000 (2,71,00,00,000) Equity Shares of ₹ 1/- each	271.00	271.00
	271.00	271.00
Issued:		
1,16,24,89,196 (85,59,12,599) Equity Shares of ₹ 1/- each	116.25	85.59
	116.25	85.59
Subscribed and Paid-up:		
1,11,68,17,774 (81,02,41,177) Equity Shares of ₹ 1/- each	111.68	81.02
	111.68	81.02

- (i) Detail of shares allotted without payment being received in cash during five years immediately preceding the Balance Sheet date are given below:

47,74,17,863 (17,08,41,266) 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 March 31, 2016 No. of Shares	As at March 31, 2015 No. of Shares
Equity Shares (with voting rights) at the beginning of the year	81,02,41,177	63,93,99,911
Add: Shares issued on conversion of Funded Interest Term Loan (FITL)	30,65,76,597	17,08,41,266
Equity Shares at the end of the year	1,11,68,17,774	81,02,41,177

(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 March 31, 2016		As at March 31, 2015	
		No. of Shares	% held	No. of Shares	% held
1.	State Bank of India	8,81,46,222	7.89%	-	-
2.	Bajaj Resources Ltd.	8,19,44,455	7.34%	8,19,44,455	10.11%
3.	Punjab National Bank	6,66,33,312	5.97%	-	-
4.	Trustees - Shishir Bajaj Family Trust	6,49,48,632	5.82%	6,49,48,632	8.02%
5.	Global World Power Projects Private Ltd.	-	-	4,11,11,121	5.07%
6.	Life Insurance Corporation of India	-	-	4,10,26,922	5.06%

(v) Option on unissued share capital:

Under Master Restructuring Agreement (MRA), lenders would convert 70% of the Funded Interest Term Loan (FITL) into equity shares in various tranches. (refer note 39)

(vi) On April 06, 2016, 1,67,42,168 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 ₹ 36.45 crore.

	As at March 31, 2016 ₹ Crore	As at March 31, 2015 ₹ Crore
4. Reserves and surplus		
Capital redemption reserve		
Opening balance	0.05	0.05
Closing balance	0.05	0.05
Securities premium		
Opening balance	4,213.60	3,857.23
Issue of equity shares	636.76	354.84
Changes in provision of premium & withholding tax thereon on redemption of FCCBs	-	1.94
Expenses related to issue of equity share capital	(0.67)	(0.41)
Closing balance	4,849.69	4,213.60
General reserve		
Opening balance	155.52	155.47
Transferred from reserve for molasses storage tanks	0.05	0.05
Closing balance	155.57	155.52
Reserve for molasses storage tanks		
Opening balance	2.55	2.32
Transferred from statement of profit & loss	0.31	0.28
Transferred to general reserve	(0.05)	(0.05)
Closing balance	2.81	2.55
Stock option outstanding		
Opening balance	-	13.54
Stock option lapsed during the year	-	(13.54)
Closing balance	-	-

	As at March 31, 2016 ₹ Crore	As at March 31, 2015 ₹ Crore
Statement of profit and loss [surplus/ (deficit)]		
Opening balance	(2,645.97)	(1,533.31)
Profit/(Loss) for the year	(114.28)	(1,097.22)
Appropriations		
Transferred to reserve for molasses storage tanks	(0.31)	(0.28)
Carrying value of fixed assets adjusted (Useful life expired)	-	(15.16)
Closing balance	<u>(2,760.56)</u>	<u>(2,645.97)</u>
	2,247.56	1,725.75

5. Long-term borrowings

From banks		
Secured	6,110.79	6,876.09
	<u>6,110.79</u>	<u>6,876.09</u>
From related parties		
Unsecured	200.00	175.00
	<u>200.00</u>	<u>175.00</u>
From others		
Secured	34.37	59.47
Unsecured	0.82	0.78
	<u>35.19</u>	<u>60.25</u>
	6,345.98	7,111.34

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

								₹ Crore
			Maturity profile					
Name of banks/financial institutions	Interest (%)	Outstanding as at March 31, 2016	Current Maturities (0-1 Year)	2nd Year	3rd Year	4th Year	Beyond 4 Years	Details of securities
Term loans (Secured)								
From Banks	11.80%	6,775.74	664.95	1,004.75	1,024.99	819.55	3,261.50	Refer note (i) below
From others								
Sugar Development Fund (SDF)	4.00%-8.25%	60.38	26.01	16.74	8.46	6.69	2.48	Refer note (ii) below
Total - Secured		6,836.12	690.96	1,021.49	1,033.45	826.24	3,263.98	
Term loans (Unsecured)								
From related parties								
Loan from promoters		200.00	-	-	-	-	200.00	Refer note (iii) below
From others								
Department of Commercial Tax of Uttar Pradesh	Interest free	1.04	0.22	-	0.56	0.26	-	
Total - Unsecured		201.04	0.22	-	0.56	0.26	200.00	
Grand Total		7,037.16	691.18	1,021.49	1,034.01	826.50	3,463.98	

Details of securities-

- (i) Term Loans including Funded Interest Term Loan (FITL) from Banks are secured on first pari passu charge basis, by way of mortgage over all immovable fixed assets and hypothecation over all movable fixed assets (both present and future) of the Company, on first pari passu charge by way of hypothecation over all current assets (both present & future) of the Company. The said loans are further secured by personal guarantee of Managing Director (Promoter) and corporate guarantee by a promoter group company, pledge of entire shares held by the Promoters of the Company.
- (ii) The Sugar Development Fund (SDF) loan 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 ₹ 200 crore has been brought by promoters as unsecured loan within stipulated period. Interest if any, payable shall be determined after the restructuring period is completed.

	As at April 01, 2015 ₹ Crore	During the year ₹ Crore	As at March 31, 2016 ₹ Crore
6. Deferred tax liabilities / (assets) (net)			
Deferred tax liabilities:			
Depreciation and amortisation	522.61	(6.34)	516.27
	<u>522.61</u>	<u>(6.34)</u>	<u>516.27</u>
Deferred tax assets:			
Provision for employee benefits	14.33	(3.55)	10.78
Provision for doubtful debts / advances	0.09	6.03	6.12
Carry forward losses and unabsorbed depreciation*	508.19	(8.82)	499.37
	<u>522.61</u>	<u>(6.34)</u>	<u>516.27</u>
Deferred tax liabilities / (assets) (net)	<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 March 31, 2016 ₹ Crore	As at March 31, 2015 ₹ Crore
7. Long-term provisions		
Gratuity	14.83	13.12
Leave encashment	14.19	13.46
	<u>29.02</u>	<u>26.58</u>

8. Short-term borrowings

Loan from banks		
Secured		
Funded Interest Term Loan (FITL)	36.45	146.21
	<u>36.45</u>	<u>146.21</u>

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

	As at March 31, 2016 ₹ Crore	As at March 31, 2015 ₹ Crore
9. Trade payables		
Micro and small enterprises	0.77	0.57
Others	2,194.95	2,789.27
	2,195.72	2,789.84
The details of amount outstanding to Micro and Small Enterprises based on available information with the company are as under :		
Particulars		
The amounts remaining unpaid to micro and small suppliers as at the end of the year:		
- Principal	0.77	0.57
- 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	0.05
The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting year	1.66	0.73
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	-	-
10. Other current liabilities		
Current maturities of long-term borrowings (refer note 5.1)	691.18	26.36
Interest accrued but not due on borrowings	1.23	4.72
Unclaimed dividends #	0.61	0.68
Other payables*	73.15	70.28
	766.17	102.04
# 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		
11. Short-term provisions		
Gratuity	3.36	6.21
Leave encashment	2.51	2.66
Provision for excise duty	114.77	84.92
	120.64	93.79

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, 2016 of ₹ 114.77 crore (P.Y. ₹ 84.92 crore) as per the estimated pattern of dispatches. During the year, ₹ 84.92 crore was utilised for clearance of goods. Provision recognised under this class for the year is ₹ 114.77 crore which is outstanding as on March 31, 2016. Actual outflow is expected in the next financial year.

12. Fixed assets

₹ Crore

	DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK	
Sr. No.	Particulars	As at April 01, 2015	Additions	Deductions & Adjustments	As at March 31, 2016	As at April 01, 2015	For the year	Deductions & Adjustments	Up to March 31, 2016	As at March 31, 2016	As at March 31, 2015
(A)	TANGIBLE ASSETS :										
1	Freehold Land	445.66	-	-	445.66	-	-	-	-	445.66	445.66
2	Leasehold Land	1.02	-	-	1.02	0.17	0.03	-	0.20	0.82	0.85
3	Buildings	1,272.86	-	-	1,272.86	217.39	28.96	-	246.35	1,026.51	1,055.47
4	Plant & Machinery	5,387.55	2.54	1.62	5,388.47	2,100.25	184.82	1.20	2,283.87	3,104.60	3,287.30
5	Furniture, Fixtures & Office Equipments	45.48	1.27	-	46.75	37.37	3.10	-	40.47	6.28	8.11
6	Vehicles & Aircraft	136.38	0.12	0.68	135.82	43.95	7.07	0.59	50.43	85.39	92.43
	Total (A)	7,288.95	3.93	2.30	7,290.58	2,399.13	223.98	1.79	2,621.32	4,669.26	4,889.82
(B)	INTANGIBLE ASSETS :										
7	Computer Software	0.02	-	-	0.02	0.02	-	-	0.02	0.00	0.00
	Total (B)	0.02	-	-	0.02	0.02	-	-	0.02	0.00	0.00
	Total (A) + (B)	7,288.97	3.93	2.30	7,290.60	2,399.15	223.98	1.79	2,621.34	4,669.26	4,889.82
	Previous Year Total	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
(C)	CAPITAL-WORK-IN-PROGRESS :	8.26	14.25	3.77	18.74				-	18.74	8.26
	Grand Total (A+B+C)	7,297.23	18.18	6.07	7,309.34	2,399.15	223.98	1.79	2,621.34	4,688.00	4,898.08
	Previous Year Grand Total	7,306.23	26.39	35.39	7,297.23	2,311.25	239.94	152.04	2,399.15	4,898.08	

Notes:

- (i) Deduction & adjustments under gross block - Plant & Machinery includes ₹ 0.04 crore (P.Y. ₹ 1.37 crore) received on account of capital subsidy from Ministry of New and Renewable Energy (U & I Group), Government of India.
- (ii) During the year, an amount of ₹ NIL crore (P.Y. ₹ 8.08 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 38)

13. Non-current investments

	As at March 31, 2016 ₹ Crore	As at March 31, 2015 ₹ Crore
Trade investments		
In Equity Shares of subsidiary companies		
Unquoted, fully paid up		
2,70,01,000 (2,70,01,000) Shares of Bajaj Hindusthan (Singapore) Private Ltd., Singapore of S\$ 1/- each	92.32	92.32
50,00,000 (50,00,000) Shares of Bajaj Aviation Private Ltd. of ₹ 10/- each	5.00	5.00
20,000 (20,000) Shares of Bajaj Power Generation Pvt. Ltd. of ₹ 10/- each	0.02	0.02
	97.34	97.34
In Equity Shares of associate		
Unquoted, fully paid up		
Nil (1,54,39,900) Shares of Lalitpur Power Generation Company Ltd. of ₹ 10/- each	-	770.13
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)
	-	-
	-	770.13

	As at March 31, 2016 ₹ Crore	As at March 31, 2015 ₹ Crore
In Equity Shares of other companies		
Unquoted, fully paid up		
1,54,39,900 (Nil) Shares of Lalitpur Power Generation Company Ltd. of ₹ 10/- each * #	770.13	-
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)
	-	-
	770.13	-
Total trade investments	867.47	867.47
Non-trade investments		
In Preference Shares of other company		
Unquoted, fully paid up		
3,50,03,927 (3,50,03,927) 6% Redeemable Non-Cumulative Non-Convertible Preference Shares of Phenil Sugars Ltd. of ₹ 100/- each	350.04	350.04
	350.04	350.04
In Debentures of other company		
Unquoted, fully paid up		
3,70,48,321 (3,70,48,321) Zero Coupon Optionally Convertible Debentures of Phenil Sugars Ltd. of ₹ 100/- each	370.48	370.48
	370.48	370.48
Interest in a beneficiary trust	693.72	693.72
	693.72	693.72
Total non-trade investments	1,414.24	1,414.24
	2,281.71	2,281.71
Aggregate value of unquoted investment	2,281.71	2,281.71
* Lalitpur Power Generation Company Limited (LPGCL) has ceased to be an associate of the Company w.e.f. March 03, 2016 consequent upon allotment of further equity shares by LPGCL on March 03, 2016 resulting in reduction of the Company's shareholding from 20.97% to 18.87%		
# These investments are pledged against loans taken by other company		

14. Long-term loans and advances

(Unsecured considered good unless otherwise stated)		
Capital advances	0.01	1.68
Security deposits	2.67	12.69
Security deposit to related parties (refer note 34)	11.26	1.26
Taxes paid under protest	5.98	8.64
Advance income tax (net of provisions)	20.72	23.81
	40.64	48.08

	As at March 31, 2016 ₹ Crore	As at March 31, 2015 ₹ Crore
15. Other non-current assets		
(Unsecured considered good)		
Fixed deposits*	3.83	3.66
	<u>3.83</u>	<u>3.66</u>
* Having maturity after 12 months from the reporting date and earmarked ₹ 1.66 crore (P.Y. ₹ 3.66 crore) for specific purposes		
16. Inventories		
(At cost or net realisable value whichever is lower, unless otherwise stated)		
Raw materials	0.33	3.86
Stores, spares & packing materials	61.51	62.24
Finished goods	1,736.58	1,907.07
By-products	116.35	174.73
Work-in-progress	9.35	31.39
Stock in trade (₹ 49,674/- (P.Y. ₹ 49,674/-))	0.00	0.00
Material in transit (₹ Nil (P.Y. ₹ 15,070/-))	-	0.00
	<u>1,924.12</u>	<u>2,179.29</u>
17. Trade receivables		
(Unsecured considered good unless otherwise stated)		
Outstanding for a period exceeding six months from due date	20.45	14.35
Doubtful	17.51	13.68
Less : Provision for doubtful debts	<u>(17.51)</u>	<u>(13.68)</u>
	-	-
Others	<u>288.27</u>	<u>154.64</u>
	<u>308.72</u>	<u>168.99</u>
18. Cash and bank balances		
Cash and cash equivalents:		
Cash on hand	0.60	0.72
Cheques, draft on hand	2.06	11.48
Balance with banks:		
Current account	20.56	47.73
Fixed deposits (Maturity of less than 3 months)*	<u>17.95</u>	<u>-</u>
	<u>41.17</u>	<u>59.93</u>
Other bank balances:		
Balance with banks (unpaid dividend)	0.61	0.68
Fixed deposits **	<u>75.31</u>	<u>27.46</u>
	<u>75.92</u>	<u>28.14</u>
	<u>117.09</u>	<u>88.07</u>
* Includes ₹ 15.32 crore (P.Y. Nil) earmarked for specific purposes		
** Includes ₹ 40.70 crore (P.Y. ₹ 27.40 crore) earmarked for specific purposes		

	As at March 31, 2016 ₹ Crore	As at March 31, 2015 ₹ Crore
19. Short-term loans and advances		
(Unsecured considered good unless otherwise stated)		
Loans & advances to related parties (refer note 34)	1,313.21	1,204.97
Loans & advances to others - good	406.31	368.12
- doubtful	2.29	2.29
Less: Provision for doubtful loans & advances	(2.29)	(2.29)
	-	-
MAT credit entitlement	79.44	79.44
Balances with excise department	17.47	41.18
Other advances*	97.18	80.12
	1,913.61	1,773.83

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

19.1 Disclosure as per clause 34(3) and Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

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, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Bajaj Aviation Pvt. Ltd. (Subsidiary)	34.24	31.32	34.24	31.32
Bajaj Hindusthan (Singapore) Private Ltd. (Subsidiary)	11.79	10.90	11.79	11.46
Bajaj Power Generation Pvt. Ltd. (Subsidiary)	1,267.18	1,162.75	1,267.18	1,162.75
	<u>1,313.21</u>	<u>1,204.97</u>		

Note : Loans and advances shown above are given for business purposes.

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

Particulars	No. of Shares	As at March 31, 2016 ₹ Crore	No. of Shares	As at March 31, 2015 ₹ Crore
Investment by Bajaj Hindusthan (Singapore) Private Ltd. in equity shares of -				
PT. Batu Bumi Persada, Indonesia (Step down subsidiary)	49,500	26.46	49,500	26.46
PT. Jangkar Prima, Indonesia (Step down subsidiary)	49,940	62.34	49,940	62.34

	As at March 31, 2016 ₹ Crore	As at March 31, 2015 ₹ Crore
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20. Other current assets

(Unsecured considered good)		
Claims / refund recoverable in cash or in kind or for value to be received	571.16	632.99
Duty drawback receivable	2.16	0.06
Interest accrued	2.18	1.81
	<u>575.50</u>	<u>634.86</u>

	Year ended March 31, 2016 ₹ Crore	Year ended March 31, 2015 ₹ Crore
21. Revenue from operations		
Sale of products	4,437.31	4,605.93
Other operating revenues	445.31	88.15
	<u>4,882.62</u>	<u>4,694.08</u>
Less: Excise duty	199.39	162.62
	<u>4,683.23</u>	<u>4,531.46</u>
21.1 Particulars of sale of products		
Sugar	3,649.58	3,728.71
Alcohol	594.41	435.21
Power	133.10	154.76
By-products	60.22	73.78
Traded goods	-	213.47
	<u>4,437.31</u>	<u>4,605.93</u>
21.2 Particulars of other operating revenues		
Duty drawback and other export incentives	2.12	2.13
Sale of export licences	-	0.99
Sale of scrap	3.02	3.28
Others	440.17	81.75
	<u>445.31</u>	<u>88.15</u>
22. Other income		
Profit on sale of non-current investment	-	25.20
Gain due to foreign exchange fluctuation (net)	0.80	-
Other non-operating income	5.17	13.46
	<u>5.97</u>	<u>38.66</u>
23. Purchases and materials consumed		
Opening stock	3.86	5.76
Purchases	3,123.76	3,490.57
	<u>3,127.62</u>	<u>3,496.33</u>
Less: Closing stock	0.33	3.86
Cost of raw material consumed (refer note 29)	<u>3,127.29</u>	<u>3,492.47</u>
Purchase / cost of traded goods sold	-	212.07
	<u>3,127.29</u>	<u>3,704.54</u>
24. Changes in inventories of finished goods and work-in-progress		
Opening 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>
Less: Closing stock		
Finished goods	1,736.58	1,907.07
By-products	116.35	174.73
Work-in-progress	9.35	31.39
	<u>1,862.28</u>	<u>2,113.19</u>
	<u>250.91</u>	<u>432.75</u>

	Year ended March 31, 2016 ₹ Crore	Year ended March 31, 2015 ₹ Crore
25. Employee benefits expense		
Salaries & wages	182.22	178.15
Contributions to provident and other funds	19.44	13.46
Employees' welfare expenses	1.21	1.60
Employee compensation expenses (ESOP cost)	-	(13.54)
	202.87	179.67

25.1 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 hereunder:

a. Funded scheme - gratuity

Liability to be recognised in balance sheet		
Present value of funded obligations	31.64	32.38
Fair value of plan assets	(13.45)	(13.05)
Net liability / (asset)	18.19	19.33
Change in plan assets (reconciliation of opening & closing balances)		
Fair value of plan assets at the beginning	13.05	12.87
Expected return on plan assets	1.06	1.16
Actuarial gain / (losses)	0.12	(0.02)
Contributions	8.27	1.26
Benefits paid	(9.05)	(2.22)
Fair value of plan assets at the end	13.45	13.05
Change in obligation (reconciliation of opening and closing balances)		
Obligation at the beginning	32.38	31.87
Current service cost	3.05	2.79
Interest cost	2.57	2.89
Actuarial losses / (gain)	2.69	(2.95)
Benefits paid	(9.05)	(2.22)
Closing obligation	31.64	32.38
Expenditure to be recognised during the year		
Current service cost	3.05	2.79
Interest cost	2.57	2.89
Expected return on plan assets	(1.06)	(1.16)
Net actuarial losses / (gain) recognised during the year	2.57	(2.93)
Total expenses recognised in the statement of profit and loss	7.13	1.59
Assumptions		
Discount rate (per annum)	8.00%	8.00%
Expected rate of return on assets (per annum)	8.00%	9.00%
Salary escalation rate (per annum)	6.00%	5.00%

Experience adjustments

Particulars	2016 ₹ Crore	2015 ₹ Crore	2014 ₹ Crore	2012 ₹ Crore	2011 ₹ Crore
Defined benefit obligations	31.64	32.38	31.87	27.01	24.85
Plan assets	(13.45)	(13.05)	(12.87)	(14.93)	(15.90)
Surplus / (deficit)	18.19	19.33	19.00	12.08	8.95
Experience adj. on plan liabilities loss / (gain)	2.69	(2.95)	1.18	(0.21)	(0.11)
Experience adj. on plan assets gain / (loss)	0.12	(0.02)	(0.04)	0.18	0.16

Particulars	Year ended March 31, 2016 ₹ Crore	Year ended March 31, 2015 ₹ Crore
b. Unfunded scheme - earned leaves		
Present value of unfunded obligations	16.70	16.12
Expenses recognised in the statement of profit and loss	4.72	3.32
Discount rate (per annum)	8.00%	8.00%
Salary escalation rate (per annum)	6.00%	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, 2016.		
Plan assets at year end, at fair value	-	-
Present value of benefit obligation at year end	-	-
Cost of shortfall in interest rate guarantee	-	-
Discount rate	7.75%	7.77%
Average remaining tenure of the investment portfolio (years)	7.34	8.10
Expected guaranteed interest rate	8.80%	8.75%
During the year ended March 31, 2016, amount recognised in statement of profit and loss for Employees Provident Fund is ₹ 4.91 crore (P.Y. ₹ 5.77 crore).		
Defined contribution plan		
Family pension fund	6.53	5.70
Employees deposit link insurance	0.40	0.35
Superannuation	0.24	0.44
26. Finance costs (net)		
Interest expense on:		
Borrowings	827.09	824.46
Others	0.64	37.61
Other borrowing costs	13.15	26.87
	<u>840.88</u>	<u>888.94</u>
Less: Interest income	<u>150.01</u>	<u>147.39</u>
	<u>690.87</u>	<u>741.55</u>
27. Depreciation and amortisation expense		
Depreciation on tangible assets	223.98	239.88
Amortisation on intangible assets (₹ 9,500/-)	0.00	0.06
	<u>223.98</u>	<u>239.94</u>
28. Other expenses		
Stores, spares and packing materials consumed	91.28	110.68
Increase / (decrease) of excise duty on inventories	30.32	(7.87)
Power and fuel	10.92	12.28
Rent	4.53	6.18
Rates and taxes	0.27	0.48
Repairs :		
Building	0.85	13.39
Machinery	60.28	89.73
Others	6.38	10.42
	<u>67.51</u>	<u>113.54</u>
c/f	<u>204.83</u>	<u>235.29</u>

Particulars	Year ended March 31, 2016 ₹ Crore	Year ended March 31, 2015 ₹ Crore
b/f	204.83	235.29
Payment to auditors (refer note 28.1)	0.50	0.50
Insurance	4.55	4.80
Selling commission	8.69	9.31
Selling & distribution	39.00	33.74
Director fees	0.14	0.11
Loss due to foreign currency fluctuation (net)	-	6.01
Provision for doubtful debts	3.83	3.68
Loss on assets sold / scrapped / written off	0.33	0.34
Miscellaneous expenses	45.69	78.94
	307.56	372.72

28.1 Payment to auditors

As auditors - statutory audit	0.33	0.33
For taxation matters	0.05	0.05
For certification work	0.12	0.12
Reimbursement of expenses (₹ 18,942/-, P.Y. ₹ 1,914/-)	0.00	0.00
	0.50	0.50

29. Particulars of materials consumed

	Year ended March 31, 2016		Year ended March 31, 2015	
	₹ Crore	% to total consumption	₹ Crore	% to total consumption
Imported	-	-	-	-
	-	-	-	-
Indigenous				
Sugarcane	3,098.02	99.06%	3,450.41	98.80%
Molasses	21.75	0.70%	33.96	0.97%
Bagasse	0.18	0.01%	-	0.00%
Others	7.34	0.23%	8.10	0.23%
	3,127.29	100.00%	3,492.47	100.00%
	3,127.29	100.00%	3,492.47	100.00%

30. Value of spares and components consumed

Imported	-	-	-	-
Indigenous	23.58	100.00%	20.61	100.00%
	23.58	100.00%	20.61	100.00%

	Year ended March 31, 2016 ₹ Crore	Year ended March 31, 2015 ₹ Crore
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31. Value of Import on CIF basis in respect of

Capital goods	-	-
Others	-	1.64
	-	1.64

	Year ended March 31, 2016 ₹ Crore	Year ended March 31, 2015 ₹ Crore
32. Expenditure in foreign currency		
Interest	-	7.50
Travelling expenses	0.15	0.10
Others	0.05	-
	0.20	7.60
33. Earnings in foreign exchange		
Export of goods on F.O.B. basis	26.39	-
	26.39	-

34. 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 (up to March 02, 2016)
(vii)	Mr. Kushagra Bajaj	Chairman & Managing Director (Also key management personnel)
(viii)	Mr. Ashok Kumar Gupta	Director (Group Operations) (Also key management personnel)
(ix)	Abhitech Developers Pvt. Ltd.	Enterprises over which key management personnel and their relatives are able to exercise significant influence
(x)	Bajaj Capital Ventures Private Ltd.	
(xi)	Bajaj Infrastructure Development Company Ltd.	
(xii)	Bajaj Energy Ltd.	
(xiii)	Bajaj Resources Ltd.	
(xiv)	Bajaj Power Ventures Private Ltd.	
(xv)	Bajaj International Realty Private Ltd.	
(xvi)	Shishir Bajaj Family Trust	
(xvii)	SKB Roop Commercial, LLP	
(xviii)	Lalitpur Power Generation Company Ltd.	Enterprises over which key management personnel and their relatives are able to exercise significant influence w.e.f. 03.03.2016

b) Details of related party transactions:

Transactions	Subsidiaries	Key Management Personnel	Associates	Enterprises described in (ix to xviii) above	Total
I. Transactions during the year					
Sale of capital goods	-	-	0.00	-	0.00
	(-)	(-)	(0.01)	(-)	(0.01)
Sale of goods	-	-	0.00	-	0.00
	(-)	(-)	(-)	(-)	(-)

₹ Crore

₹ Crore

Transactions	Subsidiaries	Key Management Personnel	Associates	Enterprises described in (ix to xvi) above	Total
Rent / lease rent received	7.56 (7.20)	- (-)	- (-)	3.05 (2.78)	10.61 (9.98)
Interest received	107.40 (106.61)	- (-)	- (-)	- (-)	107.40 (106.61)
Purchase of stores	- (-)	- (-)	- (-)	0.26 (0.10)	0.26 (0.10)
Remuneration	- (-)	2.63 (10.77)	- (-)	- (-)	2.63 (10.77)
Rent paid	- (-)	- (-)	- (-)	5.68 (2.87)	5.68 (2.87)
Loans taken	- (-)	- (110.50)	- (-)	25.00 (64.50)	25.00 (175.00)
Investment made	- (-)	- (-)	- (4.86)	- (-)	- (4.86)
Investment sold	- (-)	- (-)	- (-)	- (179.40)	- (179.40)
Loans given (incl. interest debits)	108.24 (110.47)	- (-)	- (-)	- (-)	108.24 (110.47)
Loans given repaid	- (3.06)	- (-)	- (-)	- (-)	- (3.06)
Guarantees / securities given	- (-)	- (-)	109.14 (4.86)	- (-)	109.14 (4.86)
II. Amounts outstanding at Balance Sheet date					
Loans taken	- (-)	110.50 (110.50)	- (-)	89.50 (64.50)	200.00 (175.00)
Trade payables	- (-)	- (-)	- (-)	0.68 (-)	0.68 (-)
Investments	97.34 (97.34)	- (-)	- (770.13)	770.13 (-)	867.47 (867.47)
Trade receivable	16.71 (9.15)	- (-)	- (-)	0.72 (-)	17.43 (9.15)
Loans given	1,313.21 (1,204.97)	- (-)	- (-)	- (-)	1,313.21 (1,204.97)
Deposits given	- (-)	- (-)	- (-)	11.26 (1.26)	11.26 (1.26)
Security deposits (debtors)	- (-)	- (-)	- (0.75)	- (-)	- (0.75)
Guarantees / securities given	99.00 (99.00)	- (-)	- (759.99)	869.13 (-)	968.13 (858.99)

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 ₹ 27,863/- (P.Y. ₹ 0.01 crore) to Lalitpur Power Generation Company Limited.
4. Sale of goods includes ₹ 34,483/- (P.Y. Nil) to Lalitpur Power Generation Company Limited.
5. Rent received ₹ 7.56 crore (P.Y. ₹ 7.20 crore) from Bajaj Aviation Pvt. Ltd., ₹ 3.00 crore (P.Y. ₹ 2.78 crore) from Bajaj Energy Ltd. and Lalitpur Power Generation Company Ltd. ₹ 0.05 crore (P.Y. ₹ Nil).
6. Interest received includes ₹ 104.47 crore (P.Y. ₹ 103.63 crore) from Bajaj Power Generation Private Limited and ₹ 2.93 crore (P.Y. ₹ 2.98 crore) from Bajaj Aviation Pvt. Ltd. on loan given to them.
7. Purchase of stores of ₹ 0.26 crore (P.Y. ₹ 0.10 crore) from Bajaj Energy Ltd.

8. Remuneration includes ₹ 1.77 crore (P.Y. ₹ 1.32 crore) to Mr. Kushagra Bajaj, and ₹ 0.86 crore (P.Y. ₹ 0.84 crore) to Mr. A.K. Gupta.
9. Rent paid includes ₹ 0.86 crore (P.Y. ₹ 0.85 crore) to Bajaj Capital Ventures Pvt. Ltd., ₹ 2.05 crore (P.Y. ₹ 2.02 crore) to Shishir Bajaj Family Trust, ₹ 0.32 crore to Bajaj Resources Ltd. and ₹ 2.45 crore to Abhitech Developers Pvt. Ltd.
10. Loan taken of ₹ 25 crore (P.Y. ₹ 64.50 crore) from M/s SKB Roop Commercial LLP (a promoter group company).
11. Loans given including interest includes ₹ 104.42 crore (P.Y. ₹ 107.79 crore) to Bajaj Power Generation Private Ltd., ₹ 2.93 crore (P.Y. ₹ 2.68 crore) to Bajaj Aviation Pvt. Ltd. and ₹ 0.89 crore (P.Y. ₹ Nil) (due to change in currency rate) to Bajaj Hindusthan (Singapore) Pvt. Ltd.
12. Restructured term loan from banks aggregating to ₹ 6,812.19 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 March 31, 2016 ₹ Crore	As at March 31, 2015 ₹ Crore
35. Contingent liabilities and commitments		
(I) Contingent liabilities		
(a) In respect of disputed demands / claims against the Company not acknowledged as debts:		
(i) Central excise matters	147.22	36.45
(ii) Trade tax matters	87.29	73.03
(iii) Income tax matters	14.20	18.49
(iv) Recompense payable (refer note 39(b))	57.55	17.98
(v) Other claims	18.30	24.94
	324.56	170.89
(b) Guarantees		
The company has furnished guarantees / securities on behalf of subsidiary / associate company	968.13	858.99
(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
(d) Interest payable on promoters contribution (refer note 39 (c)) is not determinable		
(II) Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	1.82	7.13

36. Earnings per share

(i) Net profit/ (loss) after tax as per statement of profit and loss attributable to equity shareholders	(114.28)	(1,097.22)
(ii) Weighted average number of equity shares used as denominator for calculating basic EPS (crore)	92.13	64.03
(iii) Add: Equity shares to be issued on conversion of funded interest term loan (FITL) (crore)	1.67	6.72
(iv) Weighted average number of equity shares used as denominator for calculating diluted EPS (crore)	93.80	70.75
(v) Basic earnings per share	(1.24)	(17.14)
(vi) Diluted earnings per share (since anti-dilutive, same as basic EPS)	(1.24)	(17.14)
(vii) Face value per equity share	₹ 1/-	₹ 1/-

	Forward Contract USD Crore	Forward Contract USD Crore
37. Derivative instruments		
Derivative instruments outstanding are as under:		
Hedged	-	-
Unhedged		
Loan given (SGD)	0.24	0.24

38. 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. The unamortised foreign exchange fluctuation capitalised to fixed assets, amounts to ₹ 330.37 crore (P.Y. ₹ 355.34 crore) as at March 31, 2016.

39. (a) At the request of the Company, the Joint Lenders' Forum (JLF lenders) led by State Bank of India has approved the corrective action plan for restructuring of credit facilities on December 03, 2014 under JLF route in accordance with the applicable framework and guidelines issued by Reserve Bank of India. Accordingly, a Master Restructuring Agreement (MRA) has been signed on December 30, 2014 among the Company and JLF lenders, by virtue of which the restructured facilities are governed by the provisions specified in the MRA. The cut-off date for restructuring under JLF route is July 31, 2014.

(b) The MRA as well as guidelines of Reserve Bank of India issued on debt restructuring under JLF route give a right to the JLF lenders to get recompense of their waivers and sacrifices made as per corrective action plan. The recompense payable by the company is contingent on various factors including improved performance of the Company and many other conditions, the outcome of which currently is materially uncertain and hence the proportionate amount payable as recompense is treated as a contingent liability. The aggregate present value of recompense till March 31, 2016 payable to the JLF lenders as per MRA is approximately ₹ 57.55 crore for the company.

(c) As per the terms of restructuring approved by lenders, the Promoters were required to bring promoter contribution amounting to ₹ 200 crore in phased manner till September 2015 in the form of equity capital/preference capital/unsecured loan/other similar instruments. An amount of ₹ 200 crore has been brought by promoters as unsecured loan within the stipulated period.

(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 in to 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 47,74,17,863 equity shares to lenders till March 31, 2016 at a premium of ₹ 20.77 per share. The balance 1,67,42,168 shares have been allotted to lenders on April 06, 2016 at the premium of ₹ 20.77 per share.

40. 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 13
- Loan given to subsidiaries are given under note 19
- Loans given to others and guarantees / securities given by the Company as at March 31, 2016 are as under:

Sr. No.	Name of the Company	Nature	As at March 31, 2016 ₹ Crore	As at March 31, 2015 ₹ Crore
(i)	Ojas Industries Private Ltd.	Loan for business purposes	397.63	359.43
(ii)	Lalitpur Power Generation Company Ltd.	Guarantee / securities given	869.13	759.99
(iii)	Bajaj Power Generation Private Ltd.	Guarantee given	99.00	99.00

41. 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, 2016, which were allotted to the Trust in 2010 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, 2016 is ₹ 62.20 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, 2016 in Phenil Sugars Ltd. whose net worth has been substantially eroded. 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.

42. For the sugar season 2015-16, 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.150 CD/46-3-16-3(48)/98-99 dated January 22, 2016, will be recognised by the Company as and when the Company becomes eligible.

Central Government has announced subsidy of ₹ 4.50 per quintal of cane crushed for the sugar season 2015-16 vide its notification no. 20(43)/2015-S.P.-I dated December 02, 2015. Company has accounted for subsidy of ₹ 20.04 crore on the basis of eligibility.

43. Exceptional items in respect of previous year 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.
44. Since last few sugar seasons, sugar industry have been reeling under continuous operational losses. This scenario was mainly attributable to high sugarcane price and low sugar realisation, particularly in case of sugar mills in the State of Uttar Pradesh. During the last few years, due to surplus sugar production as compared to domestic consumption, sugar realisation has remained lower than cost of production. These factors coupled with high interest burden significantly impacted the performance and cash flows of the Company. Operational losses in past three years have resulted into erosion of considerable net worth of the Company. Sugar season 2015-16 has brought slight respite for sugar mills after a long gap. Improvement in the yield of sugar from sugarcane and sugar prices has resulted in low sugarcane cost per quintal of sugar and better revenue generation. Considering certain key policy decisions and reliefs for sugar mills being contemplated by the governments and better market scenario in coming years, the Management expects to improve operating cash flows through cost synergies, revenue management, improved realisation 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.
45. Previous year figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosures.
46. 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 "46"

As per our report of even date

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

Jignesh Mehta
Partner
Membership No. 102749

Ved Prakash Agrawal
Chief Financial Officer
M. No. F070449

Pradeep Parakh
Group President (GRC) &
Company Secretary
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M. L. Apte
Independent Director
DIN: 00003656

R. V. Ruia
Independent Director
DIN: 00035853

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Independent Director
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For and on behalf of the Board

Kushagra Bajaj
Chairman & Managing Director
DIN: 00017575

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Independent Director
DIN: 06985276

Ashok Kumar Gupta
Director
(Group Operations)
DIN: 02608184

Kiran Anuj
Director
DIN: 02606822

Mumbai, May 30, 2016

Independent Auditors' Report

To,

**The Members of
Bajaj Hindusthan Sugar Limited
(Formerly Bajaj Hindusthan 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 the Consolidated Balance Sheet as at March 31, 2016, 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.

Auditor's 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 and 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, 2016, and their consolidated losses and their consolidated cash flows for the year ended on that date.

Emphasis of matter

As stated in Note 36 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, in the opinion of the Management, no provision for permanent diminution in value of these investments is considered necessary.

Other matters

1. Financial statements of three subsidiaries, whose financial statements reflect total assets of ₹ 1,389.40 crore as at March 31, 2016, total revenues of ₹ 14.57 crore and net cash flows amounting to ₹ 9.61 crore for the year ended on that date, are 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-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.
2. We have relied on the unaudited financial statements of two subsidiaries whose financial statements reflect total assets of ₹ 4.52 crore as at March 31, 2016, total revenue of ₹ 0.00 crore (₹ 29,656/-) and net cash flows amounting to ₹ 0.31 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 profit of ₹ 0.10 crore (up to March 02, 2016) for the year ended March 31, 2016, 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-section (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries and associate, 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 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 matter described in the Emphasis of Matter paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.
 - (d) 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.
 - (e) 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.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A".
 - (g) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2016 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 or of its subsidiary companies incorporated in India is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and 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 to the consolidated financial statements.
- ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

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

Jignesh Mehta
Partner
Membership No. 102749

Place: Mumbai
Date: May 30, 2016

Annexure-A to the Independent Auditors' Report

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

We have audited the Internal Financial Control over financial reporting of Bajaj Hindusthan Sugar Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies, which are companies incorporated in India as of 31st March, 2016 in conjunction with our audit of the consolidated financial statements of the Company for the year then ended.

Management's responsibility for Internal Financial Control

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

Auditor's responsibility

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

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

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

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Holding Company, its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

Other matters

Our aforesaid reports under Section 143(3) (i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to two subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

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

Jignesh Mehta
Partner
Membership No. 102749

Place: Mumbai
Date: May 30, 2016

Consolidated Balance Sheet as at March 31, 2016

Particulars	Note	As at March 31, 2016 ₹ Crore	As at March 31, 2015 ₹ Crore
EQUITY AND LIABILITIES :			
Shareholders' funds			
Share capital	3	111.68	81.02
Reserves and surplus	4	1,868.23	1,439.37
Sub total		1,979.91	1,520.39
Minority interest (₹22,984/- (P.Y. ₹ 27,833/-))		0.00	0.00
Non-current liabilities			
Long-term borrowings	5	6,345.98	7,111.34
Other long-term liabilities	7	1.00	1.73
Long-term provisions	8	29.02	26.58
Sub total		6,376.00	7,139.65
Current liabilities			
Short-term borrowings	9	39.44	147.15
Trade payables - Micro and small enterprises	10	0.77	0.57
Trade payables - Others	10	2,195.87	2,791.14
Other current liabilities	11	777.55	113.77
Short-term provisions	12	120.64	93.79
Sub total		3,134.27	3,146.42
Total		11,490.18	11,806.46
ASSETS :			
Non-current assets			
Fixed assets			
Tangible assets	13	4,677.61	4,898.71
Intangible assets	13	28.52	45.70
Capital work-in-progress	13	28.61	17.97
Non-current investments	14	2,451.22	2,450.93
Deferred tax assets (net)	6	4.10	4.02
Long-term loans and advances	15	299.68	302.92
Other non-current assets	16	3.83	12.27
Sub total		7,493.57	7,732.52
Current assets			
Inventories	17	1,924.12	2,179.29
Trade receivables	18	295.36	163.34
Cash and bank balances	19	128.29	89.36
Short-term loans and advances	20	1,073.26	1,007.03
Other current assets	21	575.58	634.92
Sub total		3,996.61	4,073.94
Total		11,490.18	11,806.46

See accompanying notes (1 to 42) to the financial statements.

As per our report of even date

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

Jignesh Mehta
Partner
Membership No. 102749

Ved Prakash Agrawal
Chief Financial Officer
M. No. F070449

Pradeep Parakh
Group President (GRC) &
Company Secretary
M. No. F6171

M. L. Apte
Independent Director
DIN: 00003656

R. V. Ruia
Independent Director
DIN: 00035853

D. K. Shukla
Independent Director
DIN: 00025409

For and on behalf of the Board

Kushagra Bajaj
Chairman & Managing Director
DIN: 00017575

Alok Krishna Agarwal
Independent Director
DIN: 00127273

Vipulkumar S. Modi
Independent Director
DIN: 06985276

Ashok Kumar Gupta
Director
(Group Operations)
DIN: 02608184

Kiran Anuj
Director
DIN: 02606822

Mumbai, May 30, 2016

Consolidated Statement of Profit & Loss for the year ended March 31, 2016

Particulars	Note	Year ended March 31, 2016 ₹ Crore	Year ended March 31, 2015 ₹ Crore
INCOME :			
Revenue from operations	22	4,690.50	4,535.35
Other income	23	6.07	38.70
Total Income		4,696.57	4,574.05
EXPENSES :			
Purchases and materials consumed	24	3,127.29	3,704.54
Changes in inventories of finished goods and work-in-progress	25	250.91	432.75
Employee benefits expense	26	203.00	179.80
Finance costs (net)	27	757.19	807.64
Depreciation and amortisation expense	28	241.71	257.67
Other expenses	29	323.43	386.80
Total Expenses		4,903.53	5,769.20
Profit/ (Loss) before exceptional items and tax		(206.96)	(1,195.15)
Exceptional items			
Others		-	(3.84)
Surplus on cessation of associate		(0.19)	-
Profit/ (Loss) before tax		(206.77)	(1,191.31)
Tax expenses			
Current tax		-	-
Deferred tax	6	(0.08)	0.80
Reversal of MAT credit entitlement of earlier year		-	0.18
		(0.08)	0.98
Profit/ (Loss) after tax		(206.69)	(1,192.29)
Less: Minority interest (₹ 4,849/- (P.Y. ₹ 46,252/-))		0.00	0.00
Add: Share of profit/ (loss) of associate after tax		0.10	(0.16)
Profit/(Loss) attributable to consolidated group		(206.59)	(1,192.45)
Earnings per equity share of face value of ₹ 1/- each			
Basic and Diluted	31	(2.24)	(18.62)

See accompanying notes (1 to 42) to the financial statements.

As per our report of even date

For Chaturvedi & Shah

Firm Registration No.101720W
Chartered Accountants

Jignesh Mehta

Partner
Membership No. 102749

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Director
(Group Operations)
DIN: 02608184

Kiran Anuj

Director
DIN: 02606822

Mumbai, May 30, 2016

Consolidated Cash Flow Statement for the year ended March 31, 2016

Particulars	Year ended March 31, 2016 ₹ Crore	Year ended March 31, 2015 ₹ Crore
A. Cash flow from operating activities:		
Net profit/ (loss) before tax	(206.77)	(1,191.31)
Adjustment for:		
Depreciation and amortisation	241.71	257.67
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)
Loss/ (surplus) on sale of fixed assets (net)	(0.46)	(2.28)
Finance costs	840.89	889.01
Profit on sale of non-current investment	-	(25.20)
Interest income	(83.70)	(81.37)
Employees' compensation expenses (ESOP Cost)	-	(13.54)
	<u>998.44</u>	<u>862.87</u>
Operating profit before working capital changes	<u>791.67</u>	<u>(328.44)</u>
Adjustment for:		
Trade and other receivables	(101.89)	(48.53)
Inventories	255.17	494.21
Trade and other payables	<u>(563.90)</u>	<u>(493.27)</u>
Cash generated from operations	<u>381.05</u>	<u>(376.03)</u>
Direct taxes paid	<u>(1.10)</u>	<u>11.00</u>
Net cash (used in)/ from operating activities	<u>379.95</u>	<u>(365.03)</u>
B. Cash flow from investing activities:		
Purchase of fixed assets	(12.91)	(15.52)
Sale of fixed assets	0.97	8.43
On cessation of associate	(0.19)	-
Movement in loans and advances	1.55	(200.01)
Interest received	8.47	28.46
Exchange fluctuation reserve on consolidation	<u>(0.64)</u>	<u>(0.47)</u>
Net cash from/(used) in investing activities	<u>(2.75)</u>	<u>(179.11)</u>
C. Cash flow from financing activities:		
Proceeds from long-term borrowings	25.26	457.23
Repayment of long-term borrowings	(331.56)	(431.34)
Proceeds from short-term borrowings (net of repayments)	2.05	838.08
Share issue expenses	(0.67)	(0.41)
Interest paid	(81.06)	(387.42)
Dividend paid (including tax thereon)	<u>(0.06)</u>	<u>(0.10)</u>
Net cash from/ (used in) financing activities	<u>(386.04)</u>	<u>476.04</u>
Net increase/(decrease) in cash and cash equivalents	<u>(8.84)</u>	<u>(68.10)</u>
Cash and cash equivalents (opening balance)	<u>61.21</u>	<u>129.31</u>
Cash and cash equivalents (closing balance) (refer note 19)	<u>52.37</u>	<u>61.21</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 Chaturvedi & Shah

Firm Registration No.101720W
Chartered Accountants

Jignesh Mehta

Partner
Membership No. 102749

Ved Prakash Agrawal

Chief Financial Officer
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Ashok Kumar Gupta
Director
(Group Operations)
DIN: 02608184

Kiran Anuj
Director
DIN: 02606822

Mumbai, May 30, 2016

Notes forming part of consolidated 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.

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 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.

(ii) Companies considered in the consolidated financial statements are:

Name of the Company	Country of incorporation	Holding as on March 31, 2016	Financial Year ends on
Subsidiaries:			
Bajaj Aviation Private Ltd.	India	100.00%	31.03.2016
Bajaj Power Generation Private Ltd.	India	100.00%	31.03.2016
Bajaj Hindusthan (Singapore) Private Ltd.	Singapore	100.00%	31.03.2016
PT. Batu Bumi Persada #	Indonesia	99.00%	31.12.2015
PT. Jangkar Prima #	Indonesia	99.88%	31.12.2015
Associates:			
Bajaj Ebiz Private Ltd. *	India	49.50%	31.03.2015

Management has compiled the accounts for the year ended March 31, 2016, 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.

	As at March 31, 2016 ₹ Crore	As at March 31, 2015 ₹ Crore
3. Share capital		
Authorised:		
2,71,00,00,000 (2,71,00,00,000) Equity Shares of ₹ 1/- each	271.00	271.00
	271.00	271.00
Issued:		
1,16,24,89,196 (85,59,12,599) Equity Shares of ₹ 1/- each	116.25	85.59
	116.25	85.59
Subscribed and Paid-up:		
1,11,68,17,774 (81,02,41,177) Equity Shares of ₹ 1/- each	111.68	81.02
	111.68	81.02

- (i) Detail of shares allotted without payment being received in cash during five years immediately preceding the Balance Sheet date are given below:

47,74,17,863 (17,08,41,266) 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 March 31, 2016 No. of Shares	As at March 31, 2015 No. of Shares
Equity Shares (with voting rights) at the beginning of the year	81,02,41,177	63,93,99,911
Add: Shares issued on conversion of Funded Interest Term Loan (FITL)	30,65,76,597	17,08,41,266
Equity Shares at the end of the year	1,11,68,17,774	81,02,41,177

- (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 March 31, 2016		As at March 31, 2015	
		No. of Shares	% held	No. of Shares	% held
1.	State Bank of India	8,81,46,222	7.89%	-	-
2.	Bajaj Resources Ltd.	8,19,44,455	7.34%	8,19,44,455	10.11%
3.	Punjab National Bank	6,66,33,312	5.97%	-	-
4.	Trustees - Shishir Bajaj Family Trust	6,49,48,632	5.82%	6,49,48,632	8.02%
5.	Global World Power Projects Private Ltd.	-	-	4,11,11,121	5.07%
6.	Life Insurance Corporation of India	-	-	4,10,26,922	5.06%

- (v) Option on unissued share capital:

Under Master Restructuring Agreement (MRA), lenders would convert 70% of the Funded Interest Term Loan (FITL) into equity shares in various tranches. (refer note 35)

- (vi) On April 06, 2016, 1,67,42,168 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 ₹ 36.45 crore.

	As at March 31, 2016 ₹ Crore	As at March 31, 2015 ₹ Crore
4. Reserves and surplus		
Capital redemption reserve		
Opening balance	0.05	0.05
Closing balance	0.05	0.05
Securities premium		
Opening balance	4,213.60	3,857.23
Issue of equity shares	636.76	354.84
Changes in provision of premium & withholding tax thereon on redemption of FCCBs	-	1.94
Expenses related to issue of equity share capital	(0.67)	(0.41)
Closing balance	4,849.69	4,213.60
General reserve		
Opening balance	155.52	155.47
Transferred from reserve for molasses storage tanks	0.05	0.05
Closing balance	155.57	155.52
Reserve for molasses storage tanks		
Opening balance	2.55	2.32
Transferred from statement of profit & loss	0.31	0.28
Transferred to general reserve	(0.05)	(0.05)
Closing balance	2.81	2.55
Stock option outstanding		
Opening balance	-	13.54
Stock option lapsed during the year	-	(13.54)
Closing balance	-	-
Exchange fluctuation reserve on consolidation of overseas subsidiaries		
Opening balance	9.89	10.36
Change during the year	(0.64)	(0.47)
Closing balance	9.25	9.89
Statement of profit and loss {surplus/ (deficit)}		
Opening balance	(2,942.24)	(1,734.35)
Profit/(Loss) for the year	(206.59)	(1,192.45)
Appropriations:		
Transferred to reserve for molasses storage tanks	(0.31)	(0.28)
Carrying value of fixed assets adjusted (useful life expired)	-	(15.16)
Closing balance	(3,149.14)	(2,942.24)
	1,868.23	1,439.37

	As at March 31, 2016 ₹ Crore	As at March 31, 2015 ₹ Crore
5. Long-term borrowings		
From banks		
- Secured	6,110.79	6,876.09
	6,110.79	6,876.09
From related parties		
- Unsecured	200.00	175.00
	200.00	175.00
From others		
- Secured	34.37	59.47
- Unsecured	0.82	0.78
	35.19	60.25
	6,345.98	7,111.34

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

₹ Crore

Name of banks / financial institutions	Interest (%)	Outstanding as at March 31, 2016	Current Maturities (0-1 Year)	Maturity profile				Details of securities
				2nd Year	3rd Year	4th Year	Beyond 4 Years	
Term loans (Secured)								
From Banks	11.80%	6,775.74	664.95	1,004.75	1,024.99	819.55	3,261.50	Refer note (i) below
From others								
Sugar Development Fund (SDF)	4.00%-8.25%	60.38	26.01	16.74	8.46	6.69	2.48	Refer note (ii) below
Total - Secured		6,836.12	690.96	1,021.49	1,033.45	826.24	3,263.98	
Term loans (Unsecured)								
From related parties								
Loan from promoters		200.00	-	-	-	-	200.00	Refer note (iii) below
From others								
Department of Commercial Tax of Uttar Pradesh	Interest free	1.04	0.22	-	0.56	0.26	-	
Total - Unsecured		201.04	0.22	-	0.56	0.26	200.00	
Grand Total		7,037.16	691.18	1,021.49	1,034.01	826.50	3,463.98	

Details of securities -

- (i) Term Loans including Funded Interest Term Loan (FITL) 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 (Promoter) and corporate guarantee by a promoter group company, pledge of entire shares held by the promoters of the Company.

- (ii) The Sugar Development Fund (SDF) loan 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 the terms of restructuring approved by lenders, the promoters are required to bring promoter contribution amounting to ₹ 200 crore in phased manner till September 2015 in the form of equity capital/preference capital/unsecured loan/other similar instruments. An amount of ₹ 200 crore has been brought by promoters as unsecured loan within stipulated period. Interest if any, payable shall be determined after the restructuring period is completed.

	As at Apr. 1, 2015 ₹ Crore	During the year ₹ Crore	As at March 31, 2016 ₹ Crore
6. Deferred tax liabilities/ (assets) (net)			
Deferred tax liabilities:			
Depreciation and amortisation	528.01	(6.44)	521.57
	<u>528.01</u>	<u>(6.44)</u>	<u>521.57</u>
Deferred tax assets:			
Provision for employee benefits	14.33	(3.55)	10.78
Provision for doubtful debts / advances	0.09	6.03	6.12
Carry forward losses and unabsorbed depreciation*	517.61	(8.84)	508.77
	<u>532.03</u>	<u>(6.36)</u>	<u>525.67</u>
Deferred tax liabilities/ (assets) (net)	<u>(4.02)</u>	<u>(0.08)</u>	<u>(4.10)</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 March 31, 2016 ₹ Crore	As at March 31, 2015 ₹ Crore
7. Other long-term liabilities		
Security deposits from related parties (refer note 33)	-	0.75
Security deposits from others	1.00	0.98
	<u>1.00</u>	<u>1.73</u>

8. Long-term provisions		
Gratuity	14.83	13.12
Leave encashment	14.19	13.46
	<u>29.02</u>	<u>26.58</u>

9. Short-term borrowings		
Loan from banks		
-Secured		
Funded Interest Term Loan (FITL)	36.45	146.21
	<u>36.45</u>	<u>146.21</u>
Loan from others		
Others	2.99	0.94
	<u>2.99</u>	<u>0.94</u>
	<u>39.44</u>	<u>147.15</u>

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

	As at March 31, 2016 ₹ Crore	As at March 31, 2015 ₹ Crore
10. Trade payables		
Micro and small enterprises	0.77	0.57
Others	2,195.87	2,791.14
	2,196.64	2,791.71
The details of amount outstanding to micro and small enterprises based on available information with the Company are as under :		
Particulars		
The amounts remaining unpaid to micro and small suppliers as at the end of the year:		
- Principal	0.77	0.57
- 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	0.05
The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting year	1.66	0.73
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)	691.18	26.36
Interest accrued but not due on borrowings	1.24	4.82
Unclaimed dividends #	0.61	0.68
Other payables*	84.52	81.91
	777.55	113.77
# 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 customers and other liabilities		
12. Short-term provisions		
Gratuity	3.36	6.21
Leave encashment	2.51	2.66
Provision for excise duty	114.77	84.92
	120.64	93.79

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, 2016 of ₹ 114.77 crore (P.Y. ₹ 84.92 crore) as per the estimated pattern of dispatches. During the year, ₹ 84.92 crore was utilised for clearance of goods. Provision recognised under this class for the year is ₹ 114.77 crore which is outstanding as on March 31, 2016. Actual outflow is expected in the next financial year.

13. Fixed assets

₹ Crore

Sr. No.	DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Particulars	As at April 1, 2015	Additions	Deductions & Adjustments	As at March 31, 2016	As at April 1, 2015	For the Year	Deductions & Adjustments	Up to March 31, 2016	As at March 31, 2016	As at Mar. 31, 2015
(A) TANGIBLE ASSETS :											
1.	Freehold Land	446.69	-	-	446.69	-	-	-	-	446.69	446.69
2.	Leasehold Land	1.02	-	-	1.02	0.16	0.04	-	0.20	0.82	0.86
3.	Buildings	1,273.00	0.01	-	1,273.01	217.41	28.97	-	246.38	1,026.63	1,055.59
4.	Plant & Machinery	5,387.55	2.54	1.62	5,388.47	2,100.26	184.82	1.21	2,283.87	3,104.60	3,287.29
5.	Furniture, Fixtures & Office Equipment	45.59	1.27	0.01	46.85	37.40	3.12	-	40.52	6.33	8.19
6.	Vehicles & Aircraft	147.97	0.12	0.68	147.41	47.88	7.58	0.59	54.87	92.54	100.09
	Total (A)	7,301.82	3.94	2.31	7,303.45	2,403.11	224.53	1.80	2,625.84	4,677.61	4,898.71
(B) INTANGIBLE ASSETS :											
7.	Goodwill on Consolidation	85.90	-	-	85.90	40.20	17.18	-	57.38	28.52	45.70
8.	Computer Software	0.02	-	-	0.02	0.02	-	-	0.02	0.00	0.00
	Total (B)	85.92	-	-	85.92	40.22	17.18	-	57.40	28.52	45.70
	Total (A)+(B)	7,387.74	3.94	2.31	7,389.37	2,443.33	241.71	1.80	2,683.24	4,706.13	4,944.41
	Previous Year Total	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
(C) CAPITAL WORK- IN- PROGRESS											
		17.97	14.41	3.77	28.61	-	-	-	-	28.61	17.97
	Grand Total (A)+(B)+(C)	7,405.71	18.35	6.08	7,417.98	2,443.33	241.71	1.80	2,683.24	4,734.74	4,962.38
	Previous Year Grand Total	7,414.10	27.38	35.77	7,405.71	2,337.71	257.68	152.06	2,443.33	4,962.38	

Notes :

- (i) Deduction & adjustments under gross block - Plant & Machinery includes ₹ 0.04 crore (P.Y. ₹ 1.37 crore) received on account of capital subsidy from Ministry of New and Renewable Energy (U & I Group), Government of India.
- (ii) During the year, an amount of ₹ NIL crore (P.Y. ₹ 8.08 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 34)
- (iii) Particulars of Capital work-in-progress:

Particulars	As at April 1, 2015	Additions	Deductions & Adjustments	As at March 31, 2016
Plant & machinery / Civil work-in-progress	11.80	14.41	3.77	22.44
Preoperative project expenses:				
Rates and taxes	2.08	-	-	2.08
Professional charges	0.53	-	-	0.53
Miscellaneous expenses	0.29	-	-	0.29
Interest and finance charges	3.26	-	-	3.26
Depreciation	0.01	-	-	0.01
Sub total preoperative project expenses	6.17	-	-	6.17
Total	17.97	14.41	3.77	28.61

	As at March 31, 2016 ₹ Crore	As at March 31, 2015 ₹ Crore
14. Non-current investments		
Trade investments		
In Equity Shares of associates		
Unquoted, fully paid up		
Nil (1,54,39,900) Shares of Lalitpur Power Generation Company Ltd. of ₹ 10/- each		
Share in net assets	-	764.58
Goodwill/ (Capital reserve)	-	0.69
Investment made during the year	-	4.86
Equity investment in associate at cost	-	770.13
Share of loss of associate after tax	-	(0.29)
	-	769.84
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)
	-	-
	-	769.84
In Equity Shares of other companies		
Unquoted, fully paid up		
1,54,39,900 (Nil) Shares of Lalitpur Power Generation Company Ltd. of ₹ 10/- each * #	770.13	
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)
	-	-
	770.13	-
Total trade investments	770.13	769.84
Non-trade investments		
In Preference Shares of other companies		
Unquoted, fully paid up		
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
	350.04	350.04
In Debentures of other company		
Unquoted, fully paid up		
3,70,48,321 (3,70,48,321) Zero Coupon Optionally Convertible Debentures of Phenil Sugars Ltd. of ₹ 100/- each	370.48	370.48
2,66,85,000 (2,66,85,000) Zero Coupon Optionally Convertible Debentures of Lambodar Projects Private Ltd. of ₹ 100/- each	266.85	266.85
	637.33	637.33
Interest in a beneficiary trust	693.72	693.72
	693.72	693.72
Total non-trade investments	1,681.09	1,681.09
	2,451.22	2,450.93
Aggregate value of unquoted investment	2,451.22	2,450.93
* Lalitpur Power Generation Company Limited (LPGCL) has ceased to be an associate of the Company w.e.f. March 03, 2016 consequent upon allotment of further equity shares by LPGCL on March 03, 2016 resulting in reduction of the Company's shareholding from 20.97% to 18.87%		
# These investments are pledged against loans taken by company / other company		

	As at March 31, 2016 ₹ Crore	As at March 31, 2015 ₹ Crore
15. Long-term loans and advances		
(Unsecured considered good unless otherwise stated)		
Capital advances	248.01	249.68
Security deposits	3.24	13.25
Security deposit to related parties (refer note 33)	11.26	1.26
Taxes paid under protest	5.98	8.64
Advance income tax (net of provisions)	31.19	30.09
	299.68	302.92
16. Other non-current assets		
(Unsecured considered good)		
Fixed deposits *	3.83	3.66
Other bank balances	-	8.61
	3.83	12.27
* Having maturity after 12 months from the reporting date and earmarked ₹ 1.66 crore (P.Y. ₹ 3.66 crore) for specific purposes		
17. Inventories		
(At cost or net realisable value whichever is lower, unless otherwise stated)		
Raw materials	0.33	3.86
Stores, spares & packing materials	61.51	62.24
Finished goods	1,736.58	1,907.07
By-products	116.35	174.73
Work-in-progress	9.35	31.39
Stock in trade (₹ 49,674/- (P.Y. ₹ 49,674/-))	0.00	0.00
Material in transit (₹ Nil (₹ 15,070/-))	-	0.00
	1,924.12	2,179.29
18. Trade receivables		
(Unsecured considered good unless otherwise stated)		
Outstanding for a period exceeding six months from due date	10.83	11.52
Doubtful	17.51	13.68
Less : Provision for doubtful debts	(17.51)	(13.68)
	-	-
Others	284.53	151.82
	295.36	163.34
19. Cash and bank balances		
Cash and cash equivalents		
Cash on hand	0.60	0.72
Cheques, draft on hand	2.06	11.48
Balance with banks		
Current account	31.76	49.01
Fixed deposits (Maturity of less than 3 months)*	17.95	-
	52.37	61.21
Other bank balances		
Balance with banks (unpaid dividend)	0.61	0.68
Fixed deposits **	75.31	27.47
	75.92	28.15
	128.29	89.36
* Includes ₹ 15.32 crore (P.Y. Nil) earmarked for specific purposes		
** Includes ₹ 40.70 crore (P.Y. ₹ 27.40 crore) earmarked for specific purposes		

	As at March 31, 2016 ₹ Crore	As at March 31, 2015 ₹ Crore
20. Short-term loans and advances		
(Unsecured considered good, unless otherwise stated)		
Loans & advances to others - good	878.88	805.20
- doubtful	2.29	2.29
Less: Provision for doubtful loans & advances	(2.29)	(2.29)
	-	-
MAT credit entitlement	79.44	79.44
Balances with excise department	17.63	41.26
Other advances*	97.31	81.13
	1,073.26	1,007.03
*Includes advances given to suppliers, vendors and employees and other advances recoverable in cash or in kind		
21. Other current assets		
(Unsecured considered good)		
Claim / refund recoverable in cash or in kind or for value to be received	571.24	633.05
Duty drawback receivable	2.16	0.06
Interest accrued	2.18	1.81
	575.58	634.92
	Year ended March 31, 2016 ₹ Crore	Year ended March 31, 2015 ₹ Crore
22. Revenue from operations		
Sale of products / services	4,451.79	4,617.02
Other operating revenues	438.10	80.95
	4,889.89	4,697.97
Less: Excise duty	199.39	162.62
	4,690.50	4,535.35
22.1 Particulars of sale of products / services		
Sugar	3,649.58	3,728.71
Alcohol	594.41	435.21
Power	133.10	154.76
By-products	60.22	73.78
Traded goods	-	213.47
Aircraft services	14.48	11.09
	4,451.79	4,617.02
22.2 Particulars of other operating revenues		
Duty drawback and other export incentives	2.12	2.13
Sale of export licenses	-	0.99
Sale of scrap	3.02	3.28
Others	432.96	74.55
	438.10	80.95
23. Other income		
Profit on sale of non-current investment	-	25.20
Gain due to foreign exchange fluctuation (net)	0.87	-
Other non-operating income	5.20	13.50
	6.07	38.70

	Year ended March 31, 2016 ₹ Crore	Year ended March 31, 2015 ₹ Crore
24. Purchases and materials consumed		
Opening stock	3.86	5.76
Purchases	3,123.76	3,490.57
	<u>3,127.62</u>	<u>3,496.33</u>
Less: Closing stock	0.33	3.86
Cost of raw material consumed	3,127.29	3,492.47
Purchase / cost of traded goods sold	-	212.07
	<u>3,127.29</u>	<u>3,704.54</u>
25. Changes in inventories of finished goods and work-in-progress		
Opening 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>
Less: Closing stock		
Finished goods	1,736.58	1,907.07
By-products	116.35	174.73
Work-in-progress	9.35	31.39
	<u>1,862.28</u>	<u>2,113.19</u>
	<u>250.91</u>	<u>432.75</u>
26. Employee benefits expense		
Salaries & wages	182.35	178.28
Contributions to provident and other funds	19.44	13.46
Employees' welfare expenses	1.21	1.60
Employee compensation expenses (ESOP cost)	-	(13.54)
	<u>203.00</u>	<u>179.80</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 hereunder:

a. Funded scheme - gratuity

Liability to be recognised in balance sheet		
Present value of funded obligations	31.64	32.38
Fair value of plan assets	(13.45)	(13.05)
Net liability / (asset)	<u>18.19</u>	<u>19.33</u>
Change in plan assets (reconciliation of opening and closing balances)		
Fair value of plan assets at the beginning	13.05	12.87
Expected return on plan assets	1.06	1.16
Actuarial gain / (losses)	0.12	(0.02)
Contributions	8.27	1.26
Benefits paid	(9.05)	(2.22)
Fair value of plan assets at the end	<u>13.45</u>	<u>13.05</u>

	Year ended March 31, 2016 ₹ Crore	Year ended March 31, 2015 ₹ Crore
Change in obligation (reconciliation of opening and closing balances)		
Obligation at the beginning	32.38	31.87
Current service cost	3.05	2.79
Interest cost	2.57	2.89
Actuarial losses / (gain)	2.69	(2.95)
Benefits paid	(9.05)	(2.22)
Closing obligation	31.64	32.38
Expenditure to be recognised during the year		
Current service cost	3.05	2.79
Interest cost	2.57	2.89
Expected return on plan assets	(1.06)	(1.16)
Net actuarial losses /(gain) recognised during the year	2.57	(2.93)
Total expenses recognised in the statement of profit and loss	7.13	1.59
Assumptions		
Discount rate (per annum)	8.00%	8.00%
Expected rate of return on assets (per annum)	8.00%	9.00%
Salary escalation rate (per annum)	6.00%	5.00%

b. Unfunded scheme - earned leaves

Present value of unfunded obligations	16.70	16.12
Expenses recognised in the statement of profit and loss	4.72	3.32
Discount rate (per annum)	8.00%	8.00%
Salary escalation rate (per annum)	6.00%	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, 2016.

Plan assets at period end, at fair value	-	-
Present value of benefit obligation at year end	-	-
Cost of shortfall in interest rate guarantee	-	-
Discount rate	7.75%	7.77%
Average remaining tenure of the investment portfolio (years)	7.34	8.10
Expected guaranteed interest rate	8.80%	8.75%

During the year ended March 31, 2016, amount recognised in statement of profit and loss for Employees Provident Fund is ₹ 4.91 crore (P.Y. ₹ 5.77 crore).

27. Finance costs (net)

Interest expense on:		
Borrowings	827.09	824.46
Others	0.65	37.67
Other borrowing costs	13.15	26.88
	840.89	889.01
Less: Interest income	83.70	81.37
	757.19	807.64

	Year ended March 31, 2016 ₹ Crore	Year ended March 31, 2015 ₹ Crore
28. Depreciation and amortisation expense		
Depreciation on tangible assets	241.71	257.61
Amortisation on intangible assets	-	0.06
	241.71	257.67
29. Other expenses		
Stores, spares and packing materials consumed	91.28	110.68
Increase/(decrease) of excise duty on inventories	30.32	(7.87)
Power and fuel	12.76	12.28
Rent	4.92	6.18
Rates and taxes	0.27	0.48
Repairs :		
Building	0.85	13.39
Machinery	63.90	93.86
Others	6.38	10.42
	71.13	117.67
Payment to auditors (refer note 29.1)	0.56	0.53
Insurance	4.66	4.91
Selling commission	8.69	9.31
Selling & distribution	39.00	33.74
Director fees	0.14	0.11
Loss due to foreign currency fluctuation (net)	-	5.47
Provision for doubtful debts	3.83	3.68
Loss on assets sold / scrapped / written off	0.33	0.34
Miscellaneous expenses	55.54	89.29
	323.43	386.80
29.1 Payment to auditors		
As auditors - statutory audit	0.39	0.36
For taxation matters	0.05	0.05
For certification work	0.12	0.12
Reimbursement of expenses (₹ 18,942/-, P.Y. ₹ 1,914/-)	0.00	0.00
	0.56	0.53
	As at March 31, 2016 ₹ Crore	As at March 31, 2015 ₹ 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	147.22	36.45
(ii) Trade tax matters	87.29	73.03
(iii) Income tax matters	14.20	18.49
(iv) Recompense payable (refer note 35(b))	57.55	17.98
(v) Other claims	18.30	24.94
	324.56	170.89

	As at March 31, 2016 ₹ Crore	As at March 31, 2015 ₹ Crore
(b) Guarantees	869.13	759.99
(c) Erstwhile Bajaj Eco-Tec Products Limited (merged with the Company) has procured imported as well as indigenous capital goods under Export Promotion and Capital Goods Scheme (EPCG). The export obligation pending against such EPCG licenses	-	4.29
(d) Interest payable on promoters contribution (refer note 35(c)) is not determinable		
(II) Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	1.82	7.13

	Year ended March 31, 2016 ₹ Crore	Year ended March 31, 2015 ₹ Crore
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31. Earnings per share

(i) Net profit/ (loss) after tax as per statement of profit and loss attributable to equity shareholders	(206.59)	(1,192.45)
(ii) Weighted average number of equity shares used as denominator for calculating basic EPS (crore)	92.13	64.03
(iii) Add: Equity Shares to be issued on conversion of funded interest term loan (FITL) (crore)	1.67	6.72
(iv) Weighted average number of equity shares used as denominator for calculating diluted EPS (crore)	93.80	70.75
(v) Basic and diluted earnings per share	(2.24)	(18.62)
(vi) Diluted earnings per share (since anti-dilutive, same as basic EPS)	(2.24)	(18.62)
(vii) Face value per equity share	₹1/-	₹1/-

32. Segment Information:

The Company has identified its Business Segments as its Primary Reportable Segments comprising Sugar, Distillery and Power

Primary Segment Information:

1. Segment revenue

a. Sugar	3,842.06	3,955.27
b. Distillery	559.16	405.78
c. Power	319.36	338.41
d. Others	14.48	225.29
Total	4,735.06	4,924.75
Less: Inter-segment revenue	482.66	470.35
Net Sales / Income from operations	4,252.40	4,454.40

2. Segment results

(Profit/ (Loss) before tax and interest)		
a. Sugar	174.44	(733.48)
b. Distillery	194.05	151.04
c. Power	249.54	261.13
d. Others	(7.29)	(21.59)
Total	610.74	(342.90)
Less: (i) Interest (net)	757.19	807.64
(ii) Other Un-allocable expenditure net off		
Un-allocable income	60.32	40.77
Total Profit/ (Loss) before tax	(206.77)	(1,191.31)

	Year ended March 31, 2016 ₹ Crore	Year ended March 31, 2015 ₹ Crore
3. Segment assets		
a. Sugar	6,104.95	6,925.53
b. Distillery	511.17	590.68
c. Power	854.12	846.91
d. Others	131.01	135.11
Total	7,601.25	8,498.23
Add: Unallocated corporate assets	3,884.83	3,304.21
Total assets	11,486.08	11,802.44
4. Segment liabilities		
a. Sugar	2,330.19	2,892.39
b. Distillery	29.78	26.32
c. Power	2.05	1.73
d. Others	15.00	16.54
Total	2,377.02	2,936.98
Add: Unallocated corporate liabilities	56.65	64.24
Total liabilities	2,433.67	3,001.22
5. Capital expenditure		
a. Sugar	5.50	10.07
b. Distillery	5.59	3.57
c. Power	-	1.86
d. Others	0.16	(0.33)
e. Unallocated	0.64	0.36
Total	11.89	15.53
6. Depreciation and amortisation		
a. Sugar	169.54	179.83
b. Distillery	18.90	19.13
c. Power	24.09	24.06
d. Others	4.49	8.37
e. Unallocated	24.69	26.28
Total	241.71	257.67
7. Non-cash expenditure other than depreciation		
a. Sugar	Nil	Nil
b. Distillery	Nil	Nil
c. Power	Nil	Nil
Total	Nil	Nil

Other disclosures:

1. The Company caters mostly to Indian markets 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.

33. 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. (up to March 02, 2016)
- B. Directors and their relatives
 - 1. Mr. Kushagra Bajaj, Chairman & Managing Director (Also key management personnel)
 - 2. Mr. Ashok Kumar Gupta, Director (Group Operations) (Also key management personnel)
- C. Enterprises over which any person described in (B) above is able to exercise significant influence:
 - 1. Abhitech Developers Pvt. Ltd.
 - 2. Bajaj Capital Ventures Private Ltd.
 - 3. Bajaj Infrastructure Development Company Ltd.
 - 4. Bajaj Energy Ltd.
 - 5. Bajaj Resources Ltd.
 - 6. Bajaj Power Ventures Private Ltd.
 - 7. Bajaj International Realty Private Ltd.
 - 8. Shishir Bajaj Family Trust
 - 9. SKB Roop Commercial LLP
 - 10. Lalitpur Power Generation Company Ltd. (w.e.f. March 03, 2016)

b) Details of related party transactions:

					₹ Crore
	Transactions	Directors / Key Management Personnel	Associate	Enterprises described in (C) above	Total
I.	Transactions during the year				
	Sale of capital goods	- (-)	0.00 (0.01)	- (-)	0.00 (0.01)
	Sale of goods	- (-)	0.00 (-)	- (-)	0.00 (-)
	Rent received	- (-)	- (-)	3.05 (2.78)	3.05 (2.78)
	Purchase of stores	- (-)	- (-)	0.26 (0.10)	0.26 (0.10)
	Remuneration	2.63 (10.77)	- (-)	- (-)	2.63 (10.77)
	Rent paid	- (-)	- (-)	5.68 (2.87)	5.68 (2.87)
	Loan taken	- (110.50)	- (-)	25.00 (64.50)	25.00 (175.00)
	Investment made	- (-)	- (4.86)	- (-)	- (4.86)
	Investment sold	- (-)	- (-)	- (179.40)	- (179.40)
	Guarantee / securities given	- (-)	109.14 (4.86)	- (-)	109.14 (4.86)

					₹ Crore
	Transactions	Directors / Key Management Personnel	Associate	Enterprises described in (C) above	Total
II.	Amounts outstanding at the Balance Sheet date				
	Loan taken	110.50 (110.50)	- (-)	89.50 (64.50)	200.00 (175.00)
	Trade payables	- (-)	- (-)	0.68 (-)	0.68 (-)
	Investments	- (-)	- (770.13)	770.13 (-)	770.13 (770.13)
	Trade receivable	- (-)	- (-)	0.72 (-)	0.72 (-)
	Deposits given	- (-)	- (-)	11.26 (1.26)	11.26 (1.26)
	Security deposits (debtors)	- (-)	- (0.75)	- (-)	- (0.75)
	Guarantee / securities given	- (-)	- (759.99)	869.13 (-)	869.13 (759.99)

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 ₹ 27,863/- (P.Y. ₹ 01 crore) to Lalitpur Power Generation Company Limited.
 - 4 Sale of goods includes ₹ 34,483/- (P.Y. Nil) to Lalitpur Power Generation Company Limited.
 - 5 Rent received of ₹ 3.00 crore (P.Y. ₹ 2.78 crore) from Bajaj Energy Ltd. and ₹ 0.05 crore (P.Y. Nil) from Lalitpur Power Generation Company Ltd.
 - 6 Purchase of stores of ₹ 0.26 crore (P.Y. ₹ 0.10 crore) from Bajaj Energy Ltd.
 - 7 Remuneration includes ₹ 1.77 crore (P.Y. ₹ 1.32 crore) to Mr. Kushagra Bajaj, and ₹ 0.86 crore (P.Y. ₹ 0.84 crore) to Mr. A.K. Gupta.
 - 8 Rent paid includes ₹ 0.86 crore (P.Y. ₹ 0.85 crore) to Bajaj Capital Ventures Pvt. Ltd., ₹ 2.05 crore (P.Y. ₹ 2.02 crore) to Shishir Bajaj Family Trust, ₹ 0.32 crore to Bajaj Resources Ltd. and ₹ 2.45 crore to Abhitech Developers Pvt. Ltd.
 - 9 Loan taken of ₹ 25 crore (P.Y. ₹ 64.50 crore) from M/s SKB Roop Commercial LLP (a promoter group company).
 - 10 Restructured term loan from banks aggregating to ₹ 6,812.19 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.
- 34.** 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. The unamortised foreign exchange fluctuation capitalised to fixed assets, amounts to ₹ 330.37 crore (P.Y. ₹ 355.34 crore) as at March 31, 2016.
- 35.** a) At the request of the Company, the Joint lenders Forum (JLF lenders) led by State Bank of India has approved the corrective action plan for restructuring of credit facilities on December 03, 2014 under JLF route in accordance with the applicable framework and guidelines issued by Reserve Bank of India. Accordingly, a Master Restructuring Agreement (MRA) has been signed on December 30, 2014 among the Company and JLF lenders, by virtue of which the restructured facilities are governed by the provisions specified in the MRA. The cut-off date for restructuring under JLF route is July 31, 2014.
- b) The MRA as well as guidelines of Reserve Bank of India issued on debt restructuring under JLF route give a right to the JLF lenders to get recompense of their waivers and sacrifices made as per corrective action plan. The recompense payable by the Company is contingent on various factors including improved performance of the Company and many other conditions, the outcome of which currently is materially uncertain and hence the proportionate amount payable as recompense is treated as a contingent liability. The aggregate present value of recompense till March 31, 2016 payable to the JLF lenders as per MRA is approximately ₹ 57.55 crore for the Company.
- c) As per terms of restructuring approved by lenders, the Promoters were required to bring promoter contribution amounting to ₹ 200 crore in a phased manner till September 2015 in the form of equity capital/preference

capital/unsecured loan/other similar instruments. An amount of ₹ 200 crore has been brought by promoters as unsecured loan within stipulated period.

- d) 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 47,74,17,863 equity shares to lenders till March 31, 2016 at the premium of ₹ 20.77 per share. The balance 1,67,42,168 Shares have been allotted to lenders on April 06, 2016 at the premium of ₹ 20.77 per share.
- 36.** 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, 2016, which were allotted to the Trust in 2010 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, 2016 is ₹ 62.20 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, 2016 in Phenil Sugars Ltd. whose net worth has been substantially eroded. 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.
- 37.** For the sugar season 2015-16, 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.150 CD/46-3-16-3(48)/98-99 dated January 22, 2016, will be recognised by the Company as and when the Company becomes eligible.
- Central Government has announced subsidy of ₹ 4.50 per quintal of cane crushed for the sugar season 2015-16 vide its notification No. 20(43)/2015-S.P.-I dated December 02, 2015. Company has accounted for subsidy of ₹ 20.04 crore on the basis of eligibility.
- 38.** Exceptional items in respect of previous year 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.
- 39.** 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)
Parent	47%	931.98	83%	(170.95)
Subsidiaries				
Indian				
1. Bajaj Aviation Private Ltd.	1%	18.91	8%	(16.86)
2. Bajaj Power Generation Private Ltd.	50%	996.82	-	-
Foreign				
1. Bajaj Hindusthan (Singapore) Pvt. Ltd.	1%	27.02	8%	(17.15)
2. PT. Batu Bumi Persada, Indonesia	0%	3.09	1%	(1.87)
3. PT. Jangkar Prima, Indonesia	0%	(2.02)	0%	(0.05)
Minority Interests in all subsidiaries				
Foreign				
1. PT. Batu Bumi Persada, Indonesia	0%	0.00	0%	0.00
2. PT. Jangkar Prima, Indonesia	-	-	0%	0.00
Associates				
(Investment as per the equity method)				
Indian				
Lalitpur Power Generation Company Ltd.	0%	-	0%	0.10

40. Since last few sugar seasons, sugar industry has been reeling under continuous operational losses. This scenario was mainly attributable to high sugarcane price and low sugar realisation, particularly in case of sugar mills in the State of Uttar Pradesh. During last few years, due to surplus sugar production as compared to domestic consumption, sugar realisation has remained lower than cost of production. These factors coupled with high interest burden significantly impacted the performance and cash flows of the Company. Operational losses in past three years have resulted into erosion of considerable net worth of the Company. Sugar season 2015-16 has brought slight respite for sugar mills after a long gap. Improvement in the yield of sugar from sugarcane and sugar prices has resulted in low sugarcane cost per quintal of sugar and better revenue generation. Considering certain key policy decisions and reliefs for sugar mills being contemplated by the governments and better market scenario in coming years, the Management expects to improve operating cash flows through cost synergies, revenue management, improved realisation 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.
41. 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".
42. Previous year figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosures.

Signatures to notes "1" to "42"

As per our report of even date

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

Jignesh Mehta
Partner
Membership No. 102749

Ved Prakash Agrawal
Chief Financial Officer
M. No. F070449

Pradeep Parakh
Group President (GRC) &
Company Secretary
M. No. F6171

M. L. Apte
Independent Director
DIN: 00003656

R. V. Ruia
Independent Director
DIN: 00035853

D. K. Shukla
Independent Director
DIN: 00025409

For and on behalf of the Board

Kushagra Bajaj
Chairman & Managing Director
DIN: 00017575

Alok Krishna Agarwal
Independent Director
DIN: 00127273

Vipulkumar S. Modi
Independent Director
DIN: 06985276

Ashok Kumar Gupta
Director
(Group Operations)
DIN: 02608184

Kiran Anuj
Director
DIN: 02606822

Mumbai, May 30, 2016

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-2015 to 31-Mar-2016	01-April-2015 to 31-Mar-2016	01-April-2015 to 31-Mar-2016	01-Jan-2015 to 31-Dec-2015	01-Jan-2015 to 31-Dec-2015
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	132.00	2.50	2.50
4. Reserves & surplus	(37.04)	(0.00)	(31.28)	(2.32)	(4.42)
5. Total assets	20.92	1,267.26	123.44	3.10	2.02
6. Total liabilities	20.92	1,267.26	123.44	3.10	2.02
7. Investments @	-	266.85	-	-	-
8. Turnover *	14.98	40.60	0.07	-	-
9. Profit before taxation	(9.66)	-	(0.04)	(0.28)	(1.84)
10. Provision for taxation	-	-	0.07	-	-
11. Profit after taxation	(9.66)	-	0.03	(0.28)	(1.84)
12. Proposed dividend	-	-	-	-	-
13. % of shareholding	100%	100%	100%	99%	99.88%

Notes :

* 1 Turnover is net of excise duty and includes other income.

@ 2 Investments excludes investment in subsidiaries.

3 The financial statements are translated at the exchange rate as on 31.03.2016 i.e. 1 USD = INR 66.3329

\$ 4 The financial statements are translated at the exchange rate as on 31.03.2016 i.e. (1 USD = IDR 13276) and (1 USD = INR 66.3329)

Part "B": Associates and Joint Ventures
Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associates	Bajaj Ebiz Private Ltd.
1. Latest audited Balance Sheet Date	March 31, 2015
2. Shares of Associate held by the company at the year end	
Nos.	11,48,400
Amount of Investment in Associates (₹ crore)	1.15
Extent of holding %	49.50%
3. Description of how there is significant influence	There is a significant influence due to percentage of shareholding
4. Reason why the associate is not consolidated	See Note
5. Networth attributable to Shareholding as per latest audited balance sheet (₹ crore)	-
6. Profit / (Loss) for the year (₹ crore)	-
i. Considered in consolidation (₹ crore)	-
ii. Not considered in consolidation (₹ crore)	-

Note :

The Company has made provision for permanent diminution in the value of its entire investment in Bajaj Ebiz Private Ltd.

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NOTE

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