bajaj hindusthan sugar ltd.
www.bajajhindusthan.com

July 09, 2018

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

Dear Sirs,

Sub: Extraordinary General Meeting of the Company to be held on August 04, 2018

The Notice convening an Extraordinary General Meeting of the Members of the Company scheduled to be held on Saturday, August 04, 2018 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 remote e-voting are mentioned in the Notice.

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

Thanking you,

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

Kausik Adhikari
Deputy Company Secretary
(Membership No: ACS18556)
Compliance Officer

Encl.: As above

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

NOTICE TO SHAREHOLDERS

NOTICE is hereby given that an Extraordinary General Meeting of the Members of Bajaj Hindusthan Sugar Limited will be held on Saturday, August 04, 2018 at 11.00 A.M. at the Conference Hall, General Office, Bajaj Hindusthan Sugar Limited,Golagokarannath, Lakhimpur-Kheri, District Kheri, Uttar Pradesh – 262 802, to transact the following businesses:

Special Business:

1. **Sale of 1,54,39,900 Equity Shares of Rs. 10/- each held by the Company in Lalitpur Power Generation Company Limited to Bajaj Energy Limited, a related party of the Company**

   To consider and, if thought fit, to pass with or without modification, the following Resolution as an **Ordinary Resolution:**

   "RESOLVED THAT pursuant to Section 188 read with Rule 15 of the Companies (Meeting of Board and its Powers) Rules, 2014 and other provisions, if any, of the Companies Act, 2013, Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable statutory provisions and regulations, including any statutory modifications, amendments or re-enactments to each of the foregoing, and applicable notifications, clarifications, circulars, rules and regulations issued by any competent authority in India from time to time, to the extent applicable, and subject to the Memorandum and Articles of Association of the Company, the requisite approvals, if any, of any relevant statutory, regulatory or governmental authorities, and further subject to such terms and conditions as may be prescribed by any such authority while granting such approvals as may be necessary, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the **"Board"**, which term shall include a duly authorised committee thereof), consent, authority and approval of the Members be and is hereby accorded to sell and transfer 1,54,39,900 (One crore fifty four lakh thirty nine thousand nine hundred) Equity Shares of Rs. 10/- each of Lalitpur Power Generation Company Limited **("LPGCL")** held by the Company to Bajaj Energy Limited **("BEL")**, a related party of the Company, for a consideration of not less than Rs. 1097.53 Crore (Rupees One Thousand Ninety Seven Crore Fifty Three Lakhs), which is based on the fair market value **("FMV")** of these shares determined in the manner prescribed under the provisions of the Income-tax Act, 1961that has been undertaken by an independent valuer."

   "RESOLVED FURTHER THAT the Board be and is hereby authorised to undertake all such acts, deeds, matters and things, and to execute all such deeds, documents and writings, as may be necessary, desirable or expedient in its absolute discretion for the purpose of giving effect to this Resolution and to settle any question or difficulty that may arise in this regard".

   "RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers conferred on it by or under this Resolution to any duly authorised committee of the Board and to engage any advisor, consultant, agent or intermediary, as may be deemed necessary to give effect to this resolution".

2. **Sale of undertaking as per Section 180(1)(a) of the Companies Act, 2013 in respect of Sale of 1,54,39,900 Equity Shares of Rs. 10/- each held by the Company in Lalitpur Power Generation Company Limited to Bajaj Energy Limited**

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

   "RESOLVED THAT pursuant to Section 180(1)(a) and other provisions, if any, of the Companies Act, 2013, (including any rules or regulations made thereunder) including any statutory modifications, amendments or re-enactments to each of the foregoing, and applicable notifications, clarifications, circulars, rules and regulations issued by any competent authority in India from time to time, to the extent applicable, and subject to the Memorandum and Articles of Association of the Company, the requisite approvals, if any, of any relevant statutory, regulatory or governmental authorities, and further subject to such terms and conditions as may be prescribed by any such authority while granting such approvals as may be necessary, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall include a duly authorised committee thereof), consent, authority and approval of the Members be and is hereby accorded to sell and transfer 1,54,39,900 (One crore fifty four lakh thirty nine thousand nine hundred) Equity Shares of Rs. 10/- each of Lalitpur Power Generation Company Limited ("LPGCL") held by the Company to Bajaj Energy Limited ("BEL"), for a consideration of not less than Rs.1097.53 Crore (Rupees One Thousand Ninety Seven Crore Fifty Three Lakhs), which is based on the fair market value ("FMV") of these shares determined in the manner prescribed under the provisions of the Income-tax Act, 1961 that has been undertaken by an independent valuer."

   "RESOLVED FURTHER THAT the Board be and is hereby authorised to undertake all such acts, deeds, matters and things, and to execute all such deeds, documents and writings, as may be necessary, desirable or expedient in its absolute discretion for the purpose of giving effect to this Resolution and to settle any question or difficulty that may arise in this regard."

   "RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers conferred on it by or under this Resolution to any duly authorised committee of the Board and to engage any advisor, consultant, agent or intermediary, as may be deemed necessary to give effect to this resolution."

By Order of the Board of Directors

Pradeep Parakh
Group President (GRC) &
Company Secretary

Place: Mumbai
Dated: July 06, 2018

NOTES:

1. **A member entitled to attend and vote at the Extraordinary 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 Extraordinary 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. 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.
5. The Notice is being sent to all the Shareholders, whose names appear on the Register of Members/list of Beneficial Owners on Saturday, June 30, 2018, as received from National Securities Depository Limited (NSDL)/Central Depository Services (India) Limited (CDSL).
6. 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.
7. Shareholders who have registered their e-mail IDs for receipt of documents in electronic mode are being sent Notice by e-mail and others are sent by post along with attendance slip. In case a Shareholder is desirous of obtaining notice and attendance slip in printed form or a duplicate one, shareholder may write to R & T Agent - M/s Link Intime India Private Limited, C 101, 247 Park, L.B.S. Marg, Vikhroli West, Mumbai - 400 083 or send an email to kadhikari@bajajhindusthan.com. The R&T Agent/Company shall forward the same to the shareholder.
8. All documents referred to in the accompanying Statement pursuant to Section 102 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 Saturday, August 04, 2018.
9. In compliance with Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the provisions of Section 108 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014, the Company also offers e-voting facility to all the shareholders to cast their vote electronically instead of dispatching notice and attendance slip wherever email id is registered. E-voting is optional. For this purpose, the Company has made necessary arrangement with Central Depository Services (India) Limited (CDSL) for facilitating e-voting and to enable them to cast their votes electronically.
10. Shareholders can opt for only one mode of voting i.e. either by physical ballot or by electronic mode. If the shareholder opts for voting by electronic mode, then he/she should not vote by physical ballot also and vice-versa. However, in case Shareholder(s) cast their vote both by physical ballot and by electronic mode, then voting done by electronic shall prevail and voting done by physical will be treated as invalid.
11. Electronic copy of the Notice of the Extraordinary 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 Extraordinary 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.
12. Members may please note that the Notice of the Extraordinary General Meeting will also be available on the Company's website www.bajajhindusthan.com for the download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same by post. For any communication, the shareholders may also send requests to the Company's investor email id: investor.complaints@bajajhindusthan.com
13. Voting through electronic means

    In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and sub Regulation (1) & (2) of Regulation 44 of SEBI (LODR) Regulations, 2015, the Company is pleased to offer e-voting facilities to Members in respect of the business to be transacted at the Extraordinary General Meeting (EGM). The Company has engaged 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 will provide ballot paper at the EGM. Resolutions passed by Members through e-voting or ballot forms are deemed to have been passed as if they have been passed at the EGM.

    The facility for voting through ballot paper shall be made available at the EGM 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 EGM may also attend the EGM 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 Extraordinary General Meeting and the cut-off date shall not be earlier than 7 days before the date of extraordinary general meeting.

    The instructions for shareholders voting electronically are as under:

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

        (i) The voting period begins on **Wednesday, August 01, 2018 (9:00 a.m.) and ends on Friday, August 03, 2018 (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 **July 28, 2018** 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

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. 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:

(i) Initial password is provided as below/at the bottom of the Attendance Slip for the EGM sent with Notice:
EVSN (e-voting Sequence Number) USER ID PASSWORD/PIN

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

C. In case of any queries, you may refer the frequently asked questions (FAQs) for shareholders and e-Voting user manual for shareholders available at the Downloads section of www.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 communication(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. July 28, 2018.

NOTE: The cut-off date shall not be earlier than 7 days before the date of Extraordinary 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. July 28, 2018, 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 EGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the EGM.

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 EGM through ballot paper.

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

K. The Chairman shall, at the EGM, 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 EGM 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 extraordinary general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than forty-eight hours of the conclusion of the EGM, 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 forty-eight hours of conclusion of the Extraordinary General Meeting. The results declared shall be along with the consolidated Report of the Scrutinizer be placed on the website of the Company www.bajajhindusthan.com and on the website of 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 setting out material facts pursuant to Section 102(1) of the Companies Act, 2013

In respect of Item no. 1

The sugar industry has passed through a prolonged cyclical downturn primarily characterised by high sugarcane prices, surplus sugar production and high carry over inventory with consequent lower realisations. These resulted into Company incurring losses during financial years 2011-12, 2012-14 (18 months), 2014-15, 2015-16 and 2017-18 and consequent increase in debt levels. Since the operations of the Company coming under financial strain owing to various circumstances, the Lenders of the Company had implemented debt restructuring Scheme for the Company firstly under JLF route in the year 2014 and thereafter under the Scheme for Sustainable Structuring of Stressed Assets (S4A) in the year 2017.

The Company is under obligation to divest its non-core assets as per the terms and conditions of Master Restructuring Agreement dated December 30, 2014 and the Master Framework Agreement dated December 16, 2017 executed with the lenders to implement the debt restructuring scheme for the Company.

The Company's investment in Lalitpur Power Generation Company Limited ("LPGCL") has been identified as one of such investment in non-core to the Sugar and allied business activities of the Company. The Company holds 1,54,39,900 Equity Shares of Rs. 10/- each, constituting 17.51 % of the paid up capital of LPGCL. The cost of investment by the Company for 17.51% equity shares in LPGCL is Rs. 770.13 crore. These shares are presently pledged against the loan facilities availed by the Company and the loan facilities availed by LPGCL as under:

- 21,82,870 equity shares of Rs. 10/- each of LPGCL in favour of the Company's lenders;
- 1,32,57,025 equity shares of Rs. 10/- each of LPGCL in favour of LPGCL's lenders.

LPGCL has completed the work on setting up of its 1980 MW (3x660 MW) coal-based supercritical thermal power project at District Lalitpur, Uttar Pradesh and operating with full capacity since December 2016. As per the Restructuring Schemes the Company is

required to bring back the funds invested in LPGCL, which shall be utilized in accordance with the directions of the Lenders. To comply with the aforesaid conditions of bringing back the funds, the Board of Directors of the Company on July 06, 2018, based on the recommendation of the Audit Committee of Directors, approved the sale of 1,54,39,900 equity shares of face value of Rs. 10/- each of LPGCL held by the Company to Bajaj Energy Limited ("BEL"), which is a related party of the Company and use the proceeds to deleverage the Company.

Determination of consideration:

1. The equity shares of LPGCL held by the Company falls in the category of "other than quoted shares" for the purpose of Section 50CA of the Income-tax Act, 1961, which is a special provision for regulation of full value of consideration for transfer of share other than quoted share. As per the aforesaid provision, where the consideration received or accruing as a result of the transfer by an assessee of a capital asset, being share of a company other than a quoted share, is less than the fair market value **("FMV")** of such share determined in such manner as may be prescribed, the value so determined shall, for the purposes of Section 48, be deemed to be the full value of consideration received or accruing as a result of such transfer. Rule 11UA of the Income-tax Rules, 1962, prescribes the method and formulae for determination of the FMV of unquoted equity shares.
2. Pursuant to the forgoing paragraph, M/s Mehta Choksi & Shah, Chartered Accountants, an Independent Valuer, has vide its valuation report dated July 04, 2018 valued the equity shares of LPGCL at Rs. 710.84 per share. Based on the above the value of 1,54,39,900 equity shares of LPGCL held by Company aggregates to Rs.1097.53 crore.
3. As recommended by the Board, the consideration amount for LPGCL's shares to be sold by the Company to BEL will be the higher of the following:
    a) FMV of LPGCL's shares determined as Rs.1097.53 crore in accordance with the Rule 11UA based on the latest Audited Financial Statement as at March 31, 2017;
    b) FMV of LPGCL shares as may be determined in accordance with the Rule 11UA on a valuation date close to the date of sale of LPGCL's shares by the Company to BEL;
    c) Any other valuation as may be deemed appropriate by the Board and mutually agreed between the Company and BEL.

As per Section 188 of the Companies Act, 2013 read with Rule 15 of the Companies (Meeting of Board and its Powers) Rules, 2014 and Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations **("SEBI LODR")**, transaction entered into between related parties for selling or otherwise disposing of property of any kind exceeding the threshold limit mentioned in the 'Rule' and 'SEBI (LODR)' are required to be approved by the members of the Company by way of a Resolution.

Pursuant to Regulation 23 of SEBI LODR, all entities falling under the definition of "Related Party" shall abstain from voting in respect of the Resolution proposed at item no. 1 of the Notice, irrespective of whether the entity is a party to the particular transaction or not.

Additional information required to be disclosed pursuant to Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 are given below:

1. Name of the related party: Bajaj Energy Limited
2. Name of the director or key managerial personnel who is related, if any: Mr. Kushagra Bajaj, Chairman and Managing director and Promoter of the Company.
3. Nature of relationship: BEL is a Promoter group company of the Company.
4. Nature, material terms, monetary value and particulars of the contract or arrangement :Share sale/purchase agreement to be executed between the Company and Bajaj Energy Limited for sale of 1,54,39,900 equity shares of Rs. 10/- each of Lalitpur Power Generation Company Limited for a consideration not less than Rs.1097.53 Crore.
5. Any other information relevant or important for the members to take a decision on the proposed Resolution: Please refer to sl. no. 1-3 under the heading "Determination of consideration" mentioned above.

The Board of Directors of the Company recommends passing of the Ordinary Resolution as Item no. 1 of the Notice so as to enable the Company to disinvest its holding in LPGCL to BEL.

Mr. Kushagra Bajaj, Chairman and Managing Director and their relatives form part of the promoter/ promoter group of BEL and hence, may be deemed to be interested in the Resolution at item no. 1 of the Notice. Save as aforesaid, none of the Directors and Key Managerial Personnel of the Company including their relatives, is in any way concerned or interested in the said resolution. Furthermore, none of the promoters, directors and key managerial personnel of the Company have any shareholding in LPGCL or BEL.

All documents referred to in the accompanying Statement pursuant to Section 102 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 August 04, 2018.

In respect of Item no. 2

The sugar industry has passed through a prolonged cyclical downturn primarily characterised by high sugarcane prices, surplus sugar production and high carry over inventory with consequent lower realisations. These resulted into Company incurring losses during financial years 2011-12, 2012-14 (18 months), 2014-15, 2015-16 and 2017-18 and consequent increase in debt levels. Since the operations of the Company coming under financial strain owing to various circumstances, the Lenders of the Company had implemented debt restructuring Scheme for the Company firstly under JLF route in the year 2014 and thereafter under the Scheme for Sustainable Structuring of Stressed Assets (S4A) in the year 2017.

The Company is under obligation to divest its non-core assets as per the terms and conditions of Master Restructuring Agreement dated December 30, 2014 and the Master Framework Agreement dated December 16, 2017 executed with the lenders to implement the debt restructuring scheme for the Company.

The Company's investment in Lalitpur Power Generation Company Limited ("LPGCL") is identified as one of such investment in non-core to the Sugar and allied business activities of the Company. The Company holds 1,54,39,900 Equity Shares of Rs. 10/- each, constituting

17.51 % of the paid up capital of LPGCL. The cost of investment by the Company for 17.51% equity shares in LPGCL is Rs. 770.13 crore. These shares are presently pledged against the loan facilities availed by the Company and the loan facilities availed by LPGCL as under:

- 21,82,870 equity shares of Rs. 10/- each of LPGCL in favour of the Company's lenders;
- 1,32,57,025 equity shares of Rs. 10/- each of LPGCL in favour of LPGCL's lenders.

LPGCL has completed the work on setting up of its 1980 MW (3x660 MW) coal-based supercritical thermal power project at District Lalitpur, Uttar Pradesh and operating with full capacity since December 2016. As per the Restructuring Schemes the Company is required to bring back the funds invested in LPGCL, which shall be utilized in accordance with the directions of the Lenders. To comply with the aforesaid conditions of bringing back the funds, the Board of Directors of the Company on July 06, 2018, based on the recommendation of the Audit Committee of Directors, approved the sale of 1,54,39,900 equity shares of face value of Rs. 10/- each of LPGCL held by the Company to Bajaj Energy Limited **("BEL")**, which is a related party of the Company and use the proceeds to deleverage the Company.

Determination of consideration:

1. The equity shares of LPGCL held by the Company falls in the category of "other than quoted shares" for the purpose of Section 50CA of the Income-tax Act, 1961, which is a special provision for regulation of full value of consideration for transfer of share other than quoted share. As per the aforesaid provision, where the consideration received or accruing as a result of the transfer by an assessee of a capital asset, being share of a company other than a quoted share, is less than the fair market value **("FMV")** of such share determined in such manner as may be prescribed, the value so determined shall, for the purposes of Section 48, be deemed to be the full value of consideration received or accruing as a result of such transfer. Rule 11UA of the Income-tax Rules, 1962, prescribes the method and formulae for determination of the FMV of unquoted equity shares.
2. Pursuant to the forgoing paragraph, M/s Mehta Choksi & Shah, Chartered Accountants, an Independent Valuer, has vide its valuation report dated July 04, 2018 valued the equity shares of LPGCL at Rs. 710.84 per share. Based on the above the value of 1,54,39,900 equity shares of LPGCL held by Company aggregates to Rs.1097.53 crore.
3. As recommended by the Board, the consideration amount for LPGCL's shares to be sold by the Company to BEL will be the higher of the following:
   a) FMV of LPGCL's shares determined as Rs.1097.53 crore in accordance with Rule 11UA based on the latest Audited Financial Statement as at March 31, 2017;
   b) FMV of LPGCL's shares as may be determined in accordance with the Rule 11UA on a valuation date close to the date of sale of LPGCL's shares by the Company to BEL;
   c) Any other valuation as may be deemed appropriate by the Board and mutually agreed between the Company and BEL.

   As per the provisions of Section 180(1)(a) of the Companies Act, 2013, the sale, lease or otherwise disposal of the whole or substantially the whole of the undertaking of the Company, or where the Company owns more than one undertaking of the whole or substantially the whole of any such undertaking, requires the approval of the Shareholders by way of a Special Resolution.

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

   Mr. Kushagra Bajaj, Chairman and Managing Director and their relatives form part of the promoter/ promoter group of BEL and hence, may be deemed to be interested in the Resolution at item no. 2 of the Notice. Save as aforesaid, none of the Directors and Key Managerial Personnel of the Company including their relatives, is in any way concerned or interested in the said resolution. Furthermore, none of the promoters, directors and key managerial personnel have any shareholding in LPGCL or BEL.

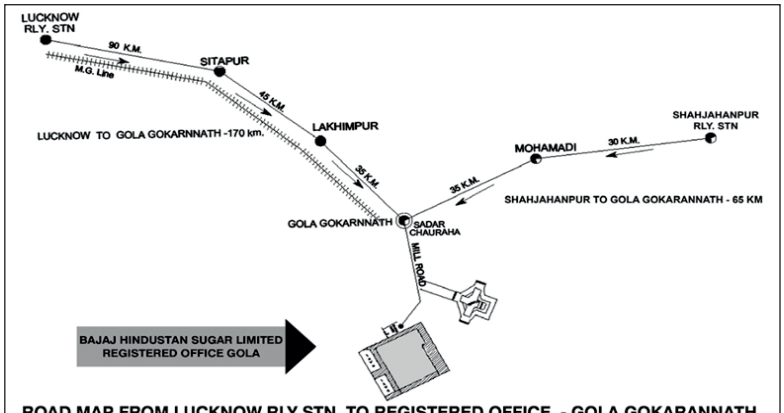
   All documents referred to in the accompanying Statement pursuant to Section 102 of the Companies Act, 2013 are available for inspection by shareholders at the Registered Office of the Company during the office hours on any working days, except Saturdays between 11.00 A.M. and 1.00 P.M. up to August 04, 2018.

By Order of the Board of Directors

Pradeep Parakh
Group President (GRC) &
Company Secretary

Place: Mumbai
Dated: July 06, 2018

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



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

AND

SHAHJAHANPUR RLY STN. TO REGISTERED OFFICE - GOLA GOKARANNATH

bajaj hindusthan sugar 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 Extraordinary General Meeting of the Company, to be held on Saturday, August 04, 2018 at 11.00 a.m. at the Conference Hall, General Office, Bajaj Hindusthan Sugar Limited, Golagokarannath, Lakhimpur-Kheri, District Kheri, Uttar Pradesh 262 802 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution	For*	Against
Special Business		
1. Ordinary Resolution pursuant to Section 188 of the Companies Act, 2013 and other applicable provisions to Sale of 1,54,39,900 Equity Shares of Rs.10/- each held by the Company in Lalitpur Power Generation Company Limited to Bajaj Energy Limited, a related party of the Company.	☐	☐
2. Special Resolution pursuant to Section 180(1)(a) of the Companies Act, 2013 and other applicable provisions to Sale and transfer of 1,54,39,900 Equity Shares of Rs.10/- each held by the Company in Lalitpur Power Generation Company Limited to Bajaj Energy Limited	☐	☐

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 ..... 2018.

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 Extraordinary General Meeting.

bajaj hindusthan sugar 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

ATTENDANCE SLIP FOR EXTRAORDINARY GENERAL MEETING

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

Folio No./DP ID/Client ID No.	
Name and address of the Member(s)	
Joint Holder 1 Joint Holder 2	
No. of Shares	

I/We hereby record my/our presence at the Extraordinary General Meeting of the Company on Saturday, August 04, 2018 at 11.00 a.m. at the Conference Hall, General Office, Bajaj Hindusthan Sugar Limited, Golagokarannath, Lakhimpur-Kheri, District Kheri, Uttar Pradesh 262 802.

_____ _____ _____ _____

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

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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 Extraordinary General Meeting Notice.

EVSN (e-Voting Sequence Number)	**USER ID**	**PASSWORD/PIN**
180705020		